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TRANSITION

★ POLITICAL NOTES ★

Washington's Most Sought-After Churchgoer

WASHINGTON — The Reverend Everett Goodwin knows only too well what a complicated business it can be to provide a spiritual home for a president.

He recalls the metal detectors, bomb-sniffing dogs, squadrons of Secret Service agents and hordes of pickets that became a regular feature on Sunday mornings at the First Baptist Church in northwest Washington during the years when former President Jimmy Carter was a member.

Nevertheless, said Mr. Goodwin, senior minister at First Baptist, he and his flock of about 1,000 would gladly endure the inconveniences again for the chance to count President-elect Bill Clinton, a Baptist, among the church's members. Mr. Clinton's wife, Hillary, and his daughter, Chelsea, are Methodists.

You don't have much trouble filling up the church when the president attends," Mr. Goodwin said. "Some of our most wonderful contributing members joined the church in those years, and stayed after the Carters left."

In Washington and its suburbs, many religious leaders are writing letters, making telephone calls and presumably praying that the Clintons will join their congregations.

Mr. Goodwin was among the first of several ministers to extend a written invitation to the Clintons. His church appears to have the inside track: It will be the site of a private prayer service attended by family and friends of Mr. Clinton and Vice President-elect Al Gore on the eve of the inauguration.

The Next Task: Filling Top White House Jobs

HILTON HEAD, South Carolina — As he ended a vacation here Sunday, President-elect Clinton was turning his attention to the next chore on the transition calendar: filling top White House jobs.

Aides said he was expected to announce appointments to many top White House positions within a week of returning to Little Rock, Arkansas, on Sunday afternoon.

Aides also announced that Mr. Clinton would meet on Friday with President Carlos Salinas de Gortari of Mexico in Austin, Texas. Among other things, they said, the two will discuss the North American Free Trade Agreement.

Only a few of the appointments expected to be announced are considered certain. But not many surprises are expected. The top levels of the Clinton White House, like those of the Clinton campaign and the Clinton transition, will be filled from a close-knit group of loyalists, most of them in their 30s, who proved themselves during the campaign.

Several transition officials said George Stephanopoulos, the director of communications for the campaign and the transition, would be named to that same post in the White House, which would give him the rank of assistant to the president.

Nominees' Soft Approach to Confirmation

WASHINGTON — Despite talk of an awaiting Republican ambush, the transition team has been preparing cabinet nominees for Senate confirmation hearings that begin this week by assuming that sweet talk will be more important than an elaborate self-defense.

One sign of this emphasis is the makeup of the team's confirmation staff. The unit is led by veteran congressional hands rather than by attorneys with experience in handling sensitive nominations. Also telling is one of the staff's first actions: The unusual move of taking nominees on courtesy calls to Republican as well as Democratic senators.

Both reflect the Clinton team's conviction that although the Republicans may succeed in embarrassing some of the nominees, the nominations are essentially secure. The most important task of the moment, they said, is to forge relationships with senators who will be needed when Mr. Clinton tries to enact his legislative agenda.

"We're assuming there will be some of the fireworks people have been talking about," said a senior transition aide, referring to Republicans' vows to scrutinize the nominees' personal and public lives. "But we're not assuming this is going to be warfare."

Whether this view reflects undue confidence may be known as soon as Wednesday, when the hearings begin with consideration of Ronald H. Brown, the choice for commerce secretary. Mr. Brown, a lobbyist-attorney and chairman of the Democratic National Committee, is widely expected to be the most controversial nominee. He is expected to be questioned closely on his lobbying for Japanese electronics companies and his private business deals.

Quote-Unquote

George J. Mitchell of Maine, the Senate Democratic leader, on the prospects for cooperation between Congress and Mr. Clinton: "There are obviously going to be differences of opinion, and I expect that Republicans, as is their right, will oppose some of his initiatives. But I'm hopeful that on the important issues of economic growth and dealing with the deficit, health-care reform and others, that we'll be able to get action in this Congress."



Quarterback-elect Bill Clinton going to the air during a pickup football game on Hilton Head Island.

'A Lot of Good Arguments' for a Gas Tax Increase

By Steven Greenhouse

New York Times Service

WASHINGTON — President-elect Bill Clinton, who repeatedly criticized Paul E. Tsongas and Ross Perot in the presidential campaign for supporting an increase in federal gasoline taxes, is hearing from a lot of his advisers that it is not such a bad idea after all, and he seems to be warming up to it.

"There were a lot of good arguments made for the gas tax," Mr. Clinton said at a news conference after the two-day meeting on the economy that he convened in Little Rock, Arkansas, in early December.

But he added, referring to the tax system: "No matter what the other merits of the gas tax are, you don't want to load it onto the inequality you already have."

During the Little Rock meeting, the president-elect seemed surprised that so many speakers had ignored his campaign rhetoric on the issue and called eagerly for higher gasoline taxes.

"I'm for a gasoline tax as a national security measure to reduce dependence on foreign oil, second as a conservation measure and third as a revenue-raising measure," said Felix G. Rohatyn, an investment banker at Lazard Freres & Co. and a speaker at the conference. "The biggest luxury this country indulges in is its over-use of energy."

The Energy Department estimates that a 50-cent-a-gallon tax increase from the current level of 14.1 cents a gallon would cut gasoline consumption by 10 percent to

15 percent and would reduce oil imports, currently more than 7 million barrels a day, by 500,000 barrels.

Recognizing that the issue is fraught with political dangers, Mr. Clinton has stopped short of endorsing the idea outright. But one official on his transition team, who insisted on anonymity, explained why the idea had marched back onto Mr. Clinton's agenda.

"The primary driver is the numbers they have to deal with to reduce the deficit," he said. "That

means everything is on the table."

Advisers said that Vice President-elect Al Gore's support for increased taxes on energy had also nudged Mr. Clinton toward a higher gasoline tax.

In addition, Alice M. Rivlin, the nominee for deputy budget director, joined a recent call for a \$1-a-gallon increase in gasoline taxes, and Leon E. Panetta, the budget director-designate, has long said such a tax must be considered.

But Lloyd Bentsen, the Treasury secretary-designate and a man with

close ties to the oil industry, is not a fan of increased gasoline taxes.

"A large increase in the gasoline tax has a low probability of being enacted because the American people would rebel," said William F. O'Keefe, executive vice president of the American Petroleum Institute.

Millions of Americans, as well as the oil industry, loathe the idea of higher gasoline taxes, arguing that they would fall harder on those of modest incomes and would disproportionately hurt Westerners, who must often travel greater distances.

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Walsh Focuses on Bush Notes

By Walter Pincus

Washington Post Service

WASHINGTON — The special prosecutor, Lawrence E. Walsh, plans to interview President George Bush, probably in February, to close out the investigation of the Iran-contra affair but not to gather evidence for some future indictment of Mr. Bush or others, according to sources.

A windup session with Mr. Bush was supposed to have taken place in July, but Mr. Walsh agreed to postpone it to prevent that interrogation from becoming an issue in the presidential campaign. The July deposition was to have fo-

cused on Mr. Bush's memory of events portrayed in notes obtained by Iran-contra prosecutors since 1990 from former Reagan administration cabinet members, including former Defense Secretary Caspar W. Weinberger.

The independent counsel's questioning of Mr. Bush now has taken on an additional purpose in the aftermath of the discovery Dec. 11 that Mr. Bush, like Mr. Weinberger, had made personal notes during part of the Iran-contra affair that prosecutors had not previously seen, the sources said. Mr. Walsh wants to find out from Mr. Bush and others why those notes were

not turned over when prosecutors had asked the White House for documents, the sources said.

Mr. Walsh first learned of Mr. Bush's notes through a telephone call to one of his attorneys by a government lawyer who had worked with the White House to supply documents to the Iran-contra prosecutors.

Mr. Bush, then vice president, began the notes as a campaign diary in November 1986 and kept them outside the vice president's office, sources said. They contain Iran-contra information relevant to the Walsh investigation but are more "personal ruminations by Bush" and thus unlike the "precise notes" of Mr. Weinberger, one source said.

Mr. Bush's notes are "not very earthshaking," this source said, and "so far not in conflict" with what Mr. Bush told prosecutors who first questioned him about Iran-contra in January 1988. But, the sources said, Mr. Walsh has yet to receive all the Bush notes.

Mr. Weinberger, who along with five other former government officials indicted in the Iran-contra affair was pardoned by Mr. Bush on Dec. 24, had been indicted not only because his notes allegedly contradicted statements he made under oath to congressional investigators but also because he denied to Congress and Mr. Walsh's investigators that he even had notes.

There is no indication that Mr. Bush was ever directly asked by Mr. Walsh's prosecutors during the videotaped January 1988 deposition if he had notes. Mr. Bush was never questioned by House or Senate investigators.

Tension between Mr. Bush and Mr. Walsh, which already was great after the indictment of Mr. Weinberger, has increased on both sides since the disclosure that Mr. Bush made notes and the announcement of the pardons.

Mr. Bush, who has criticized Mr. Walsh's indictment of Mr. Weinberger and his six-year, \$31 million investigation, has hired Griffin B. Bell, attorney general in the Carter administration, to represent him now and after he leaves the White House.

Away From Politics

● NASA scouted a mission to explore an active volcano in Antarctica with a robot device after its fiber-optic umbilical cord broke, officials said. The robot stalled after descending only 21 feet into the crater of Mount Erebus.

● The Environmental Protection Agency has come under attack for allowing use of an unregistered pesticide by grape growers in California and Arizona. The head of the National Coalition Against the Misuse of Pesticides, Jay Feldman, called the approval a "political gift" to the pesticide lobby. The pesticide, hydrogen cyanamide, promotes uniform ripening.

● A bomb was found under a seat in a Dallas movie theater where "Malcolm X" was to be shown, the authorities said. They said a "Malcolm X" was to be shown, the authorities said. They said a "Malcolm X" was to be shown, the authorities said.

● Rescuers resumed a search of the North Atlantic for a catamaran that disappeared with its three-man French crew while crossing from Rhode Island to Martinique, the U.S. Coast Guard said. The search by four Coast Guard, U.S. Navy and Canadian military planes had been suspended because of bad weather.

● The number of reported homicides in New York City declined slightly last year, continuing a drop that police officials say could be attributed to factors ranging from shifts in personal behavior to demographic changes to community policing. The police recorded a preliminary total of 2,020 homicides, 134 fewer than in 1991.

● About 200 New England lobster trappers whose traps and nets were destroyed in a severe storm in December told disaster officials that many would be forced out of business unless they received more U.S. government aid.

● A man stormed into a shelter for battered women in Jacksonville, Fla., and fired shots before he was killed by police officers. None of the 37 women and children at the shelter was wounded by the man, who had been under court order to stay away from his former girlfriend, who has accused him of beating and raping her. He forced her mother to take him to the shelter.

AP, NYT

DEATH NOTICE

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Deportees Call Food Smuggling Too Risky

Reuters

MARJ AZ ZOHOOR, Lebanon — More than 400 deported Palestinians appealed to sympathizers on Sunday to stop smuggling them food in a southern Lebanon no-man's-land because they drew Israeli shelling.

The Palestinians fled their makeshift camp on Saturday during an Israeli bombardment of nearby hills. The 415 deportees, who have been trapped between Lebanese and Israeli lines for more than two weeks, returned to the camp after Israeli artillery and tanks stopped firing late Saturday.

"They were again disturbed by the roar of tanks moving on Israel's front lines on Sunday and by Lebanese troops who barred a sick deportee from reaching a hospital in Lebanese territory."

"The shelling was apparently aimed at terrorizing villagers supplying us with food," said Abdul Aziz Rantisi, a leader of the deportees and of the militant Islamic movement Hamas.

"We appeal to villagers to stop sending us aid to preserve their safety," he said.

Israel said it had fired at "suspicious images" about 2.5 kilometers northeast of the camp in an area used by guerrillas.

Lebanese troops north of the camp refused three times to allow one of the deportees to be taken to a hospital in Lebanese territory. The deportee, Ahmad Nimir Abu Arra'a, 47, was thought to have a blocked intestine.

Israeli Agent Is Killed

Arabs stabbed and bludgeoned to death an Israeli secret police officer on Sunday in an apartment building in Jewish West Jerusalem. Reuters reported from Jerusalem.

Israeli radio identified the victim as Haim Nachmani, 25, and said he was a member of Shin Bet. That is the common name for Israel's General Security Services, which infiltrates Palestinian groups outlawed by Israel in the occupied West Bank and Gaza Strip.

Security sources said Mr. Nachmani had been waiting for an Arab informant. They said it appeared that there were at least two attackers. It was not clear whether the informant was one of them.

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A Palestinian deportee raising an Islamic flag over his tent.

RESIGN: Kohl Aide Steps Down

(Continued from page 1)

tions man and relentless self-promoter who has jumped out of airplanes to attract press attention.

Despite his penchant for publicity, he never won broad popularity in Germany, consistently registering toward the bottom in surveys of public sympathy for government leaders. Not a single senior official, even within his own Free Democratic Party, came forward over the last two weeks to defend Mr. Möllemann.

The weekly Der Spiegel reported Monday that Mr. Möllemann's likely successor would be Birgit Breuer, head of the Berlin-based Treuhänderschaft, the agency created to sell off the state-owned enterprises of Eastern Germany.

Mr. Kohl, who accepted Mr. Möllemann's resignation in a curt statement with hardly any of the usual niceties about a minister's contributions, has not commented on a possible successor, but has said that he plans a mid-term shuffle of his cabinet this month.

The postal minister, Christian Schwarz-Schilling, resigned two weeks ago, saying he could no longer be part of a government that refused to do anything to halt war in the former Yugoslavia.

The opposition Social Demo-

crats welcomed Mr. Möllemann's departure and said it showed that Mr. Kohl's coalition was "completely worn out."

Mr. Möllemann's resignation paves the way for Foreign Minister Klaus Kinkel to take over as leader of the Free Democratic Party, the junior member of Mr. Kohl's governing coalition and the key swing party in the precarious calculus of German electoral politics. Mr. Möllemann had been expected to battle Mr. Kinkel for the position.

At one point during his tenure as economics minister, Mr. Möllemann threatened to resign if the government did not drastically reduce subsidies paid to major industries. The subsidies were not sharply cut, but he stayed in office.

Earlier, as an official in the Foreign Ministry, Mr. Möllemann sought to strengthen German ties with the Palestine Liberation Organization and served as president of the German-Arab Society.

22 Die in Bolivia Bus Wreck

The Associated Press

LA PAZ — Twenty-two people were killed and 46 injured over the weekend when an overcrowded bus overturned 25 kilometers south of the Bolivian capital.

SUMMIT: Bush and Yeltsin Sign Far-Reaching Accord on Nuclear Arms

(Continued from page 1)

er, giving the proceedings the air of a last reunion.

The ornate trappings of past summit meetings were scrapped in favor of a low-key "working meeting" that included only one relatively restrained banquet and the signing ceremony.

And with Russia closed down for a long New Year's weekend, during which no newspapers were published, many Russians were barely aware that the American president was in their midst.

One who was was Mikhail S. Gorbachev, the last Soviet president. An aide to Mr. Gorbachev, Anatoli Chernyayev, expressed dismay to Reuters that Mr. Bush had totally ignored his former partner in détente, especially now that the American had "nothing to lose."

But Mr. Bush seemed more keen to claim a new garland than to delve in the past. "Today the Cold War is over," he said, "and

for the first time in history an American president has set foot in a democratic Russia."

He then praised Mr. Yeltsin for his "unwavering commitment to democratic reform and for the history you've written since the heroic day in August '91, when you climbed atop that tank to defend Russia's democratic destiny."

That kind of tribute was one reason Mr. Yeltsin had pushed for the summit meeting at the start of a new year. He had concluded the last one with a humiliating drubbing at the Congress of Peoples' Deputies in December, when he was forced to jettison a progressive economist, Yegor T. Gaidar, as his chief of government and to name in his stead a conservative manager, Viktor S. Chernomyrdin.

Mr. Chernomyrdin sat impassively alongside Vice President Alexander V. Rutskoi, another political thorn in Mr. Yeltsin's side, as the Russian president reported that he had assured Mr. Bush that the new prime minister would continue "on the same road of reforms."

Both presidents went to some length to claim that the treaty was fair to both sides. Senior American officials noted that it included concessions not considered before, like letting the Russians peek at sections of the B-2 Stealth bomber to see how many nuclear bombs it could carry.

But Russian critics were certain to assail the total loss of their SS-18 missile, which can carry up to 10 independently targeted warheads, while America got to keep a portion of its submarine-based missiles.

But Mr. Yeltsin said that even after the reductions, Russia would have 3,500 warheads, more than any power other than the United States.

"This is a powerful shield," he said, "which is capable of defending Russia in case of an unexpected aggression from any side."

Mr. Bush added: "We do not view this as a one-sided treaty at all. We view it as balanced, and I think that history will record it as such."

Treaty Provisions: Deep Cutbacks by 2003

Reuters

MOSCOW — Following are the main points of the START-2 treaty signed on Sunday, as made public by the Russian Foreign Ministry. The treaty will be put into effect in two stages up to 2003, with interim ceilings to be reached in the first seven years after the treaty enters into force.

By Jan. 1, 2003, the total number of strategic nuclear warheads held by each side is to have been reduced to 3,000 to 3,500 units. This means the elimination of 14,000 to

15,000 of the two sides' current combined arsenals of 21,000 warheads.

Land-based intercontinental ballistic missiles, or ICBMs, with multiple warheads are to be eliminated.

Each side is to cut the number of warheads on submarine-launched ballistic missiles to a level of 1,700 to 1,750 units.

Limits are to be imposed on the number of warheads with which heavy bombers on each side can be equipped, varying from 750 to 1,250 units of any type.

Heavy bombers will be subject to a "real

counting" of the number of warheads that they are equipped to carry according to the type of aircraft involved.

Each side has the right to reassign up to 100 heavy bombers for nonnuclear tasks. These aircraft will not be counted in the overall fixed levels.

Each side has the right to "download" certain multiple-warhead ICBMs to carry single warheads.

Each side may restructure some of the silos of its ICBMs to house single-warhead missiles.

ARMS: Yeltsin Now Must Sell START-2 Accord to a Hostile Parliament

(Continued from page 1)

its end. If he signs it, it will mean that the sense of rationality has deserted him."

Most political analysts say they believe the Supreme Soviet will eventually endorse the treaty, despite the vociferous opposition of conservatives who control about a third of the seats in the parliament. At a Kremlin press conference, Mr. Yeltsin predicted that a "healthy majority" of deputies would support the treaty, which he depicted as the diplomatic event of the century.

"Of course some deputies are against the treaty," Mr. Yeltsin said. "But they are against anything positive that is taking place in Russia."

The conservatives are outraged that Russia is giving up its entire arsenal of heavy, land-based SS-18 missiles, each of which is equipped with 10 warheads capable of hitting targets in the United States. The United States, by contrast, will be allowed to keep the core of its nuclear submarine force and its Trident-2 missiles, which also are equipped with multiple warheads.

Independent Russian analysts also have expressed concern about the need for Russia to restructure

its strategic forces along the American model, with priority being given to sea-based missiles, where Washington has traditionally enjoyed superiority.

"The United States has a tangible superiority in anti-submarine warfare," said Vladimir Belous, a Russian strategic analyst, in a recent article for the independent Moscow newspaper Nezavisimaya Gazeta. "That is why the shifting of the center of gravity of the Russian strategic weapons from land to sea is an unjustified concession to the United States."

Several last-minute concessions to Moscow appeared designed to reassure centrist legislators that Russia would not suffer militarily or economically as a result of giving up its SS-18s. The treaty allows Russia to keep 90 SS-18 silos to house the less powerful SS-25 missile, provided the silos are partly filled in with concrete. Also, Russian inspectors will for the first time also be allowed to inspect the bomb bays of the top-secret U.S. B-2 Stealth bomber to ensure that warhead limits are respected.

In an attempt to head off criticism that Russia would be faced with a huge bill for dismantling the

warheads, Mr. Yeltsin said that the cost of maintaining, servicing, and operating the present nuclear force would be even greater. He added that Moscow and Washington had agreed to share new technologies for dismantling nuclear weapons.

For Mr. Yeltsin, the military drawbacks of the treaty are outweighed by its political advantages. He hopes that the START-2 pact will provide the framework for a "partnership" with the United States and encourage the Clinton administration to provide financial support for Russia's economic program. The treaty should also contribute to his own image as a international peacemaker.

The biggest obstacle to ratifica-

tion is the ambiguous position of Ukraine, whose parliament has so far failed to ratify the original START treaty between the Soviet Union and the United States. Protocols to that agreement provide for the dismantling and transfer to Russia of all 176 missiles on Ukrainian territory.

President Leonid M. Kravchuk of Ukraine reiterated Sunday a pledge by his country to become a nonnuclear state and ratify the START-1 treaty. But the Ukrainian parliament is still seeking formal security guarantees from the West and a larger U.S. contribution to the cost of dismantling the warheads, beyond the \$175 million earmarked by the Bush administration.

Angolans Attack Rebel Stronghold

Reuters

LISBON — More than 100 people were killed Sunday in a battle between Angolan government forces and rebels in the southern city of Lubango. The Angolan news agency ANGOP said.

The Portuguese news agency

Lusa quoted ANGOP as saying that government forces now controlled Lubango, the capital of Huila Province and a rebel stronghold, and that UNTA's military commander in the region, Brigadier Padrimho Pilartes, had been captured.

JAIL: Prison for Rent

(Continued from page 1)

has no need for the Appleton site. Some people in Appleton grumble that the state is waiting for the town's effort to fail so it can take over its prison.

The prison is a gamble but one that many said had to be taken. Appleton is fading fast.

In these parts, the farmers grow mostly corn, soybeans and sugar beets. But people say the area's largest export is its young. Those left are desperate to stop the losses. So Appleton embraced the prison.

The 472-bed facility, which already has staff in place, needs at least 200 inmates to open, and officials are anxious for it to do so. Otherwise, Appleton Prison Corp., created by the town to run the project, faces the prospect of laying off the staff of 85 on Jan. 31 and wounding the faith and confidence built up since the project began.

Bondholders were recently notified that a principal payment of \$85,000 due in February would not be paid and that an interest payment of \$1.4 million might also be missed. The prison's largest bondholder, IDS Financial Services Inc. of Minneapolis, has asked the corporation to research selling or leasing it to the state.

Town officials say a contract for inmates will be signed any day now, and they even talk of expanding the prison to 1,000 beds. But prison employees cannot go anywhere here without being peppered with questions about when the inmates are going to arrive.

When the prison got its state operating license in November, people bought the employees drinks and slapped their backs. Now some are saying, "I told you so."

"The anticipation is driving everyone crazy," said a prison official, David C. Harris. "But once the inmates get here, we'll have to beat people off with sticks because they'll all be out here wanting to see them."

The man behind the prison is the city coordinator, Robert Thompson, who has lost weight and many nights of sleep worrying about the lack of convicted felons in his town. Mr. Thompson said Appleton had long searched for other development projects. Like other small towns, it chased smoketack industries, offering them free lights, tax breaks, cheap labor. But a factory would come only to leave a couple of years later.

After trying to lure as many as 100 different businesses to town in recent years, Mr. Thompson started reading about privately managed prisons starting up across the country, primarily in Southern and Western states.

He took his idea for a for-profit prison to the chamber of commerce and the city council, which gave the go-ahead.

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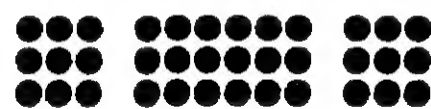
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Bosnia Foes Differ on Peace Progress

Compiled by Our Staff From Dispatches

GENEVA — Leaders of Bosnia's warring Muslims and Serbs met to talk peace on Sunday and disagreed afterward on whether they had made progress toward ending their conflict.

A spokesman for the mediators, Lord Owen and Cyrus R. Vance, who led the three hours of discussion, said the meeting itself was a breakthrough.

But President Alija Izetbegovic of Bosnia offered a different view. "No progress," a grim-looking Mr. Izetbegovic said as he left the conference room in the Palais des Nations in Geneva.

Radovan Karadzic, political leader of the rebel Serbs who control 70 percent of Bosnia, disagreed, telling reporters "a lot of progress" was made.

"We talked as if there were no war," he said.

It was the first time that Mr. Izetbegovic had met face to face with his arch-enemy Mr. Karadzic since the start of the conflict, which has left more than 17,000 dead and driven 1 million from their homes. Mr. Izetbegovic previously refused to meet with Mr. Karadzic, accusing him of being a war criminal.

The meeting took place on the second day of the talks in Geneva, attended by all three parties to the conflict, to try to agree on how to halt the nine-month-old conflict.

The Muslim-led government of Bosnia raised objections on Sunday to the peace plan proposed by Lord Owen, the European Community mediator, and Mr. Vance, who was appointed by the United Nations. The Bosnian delegation said the plan would enshrine ethnic division of the republic and lead to more bloodshed.

The government said in a statement on the plan that it "does not accept the constitutional institutionalization of the ethnic division of Bosnia-Herzegovina."

It declared, "This approach lies at the foundation of the aggression and ethnic cleansing and will not stop, but only generate, war."

The talks, due to last until Tuesday and resume a week later, are widely regarded as offering a final chance of averting international intervention that could wreck hopes for peace.

Mr. Owen said at a news conference on Sunday.

Under the mediators' plan, Bosnia would be divided into 10 autonomous provinces with about half the country formally assigned to the country's powerful Serbs.

The mediators avoided using ethnic divisions as the sole basis for the proposed provinces, but each province would have a dominant ethnic group. The plan would require the Serbs to give up some of the territory they have won.

The Bosnian government and the Serbs both submitted their own versions of the Vance-Owen map, redrawing provincial borders to give them a greater advantage. The government wants Bosnia to remain a united republic without ethnic divisions and with strong powers for central authorities. The Serbs have been pressing for their own separate ethnic state.

The government delegation also rejected a proposal to make the Bosnian capital, Sarajevo, an "open city" under the joint control of Muslims, Serbs and Croats.

But Mr. Izetbegovic has been careful not to reject the Vance and Owen plan outright and risk being

blamed for sabotaging the Geneva talks.

"It's a basis for negotiation but it needs many, many corrections," he said of the plan on Sunday.

Mr. Karadzic, striking a more positive note, said the plan was "not perfect but not to be refused." Diplomats say that Bosnian Muslims, immersed in a political wrangle with their Croat allies at home, have least to gain from a political settlement when intervention to thwart the Serbs could be only weeks away.

Lord Owen and Mr. Vance are also overseeing parallel talks between Serbian, Croatian and Muslim military leaders to negotiate a durable cease-fire and the demilitarization of Sarajevo.

(Reuters, AP)

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Mourners and an imam sprinting for cover after snipers suddenly opened fire during the funeral of a family member in Sarajevo.

A Quiet Little Lunch — Dead Center in Sarajevo

By John F. Burns

New York Times Service

SARAJEVO, Bosnia-Herzegovina — Of all the places to be in Sarajevo as 1993 begins, one of the best and worst was the junction of Marshal Tito and Djure Džurkovic streets, at almost dead center of this city.

The junction is unprotected from the area across the Miljacka River to the south, where Serbian snipers lurk 300 yards away in the upper floors of what used to be an appliance store. A double stack of bullet-punctured shipping containers adjoins the intersection's south side offers only partial protection. Anybody crossing is advised to note the scribbled cardboard sign that says "Pazi snajper!" ("Watch out, sniper!").

For Fuad and Nermina Corovic, whose apartment overlooks the intersection, making sure nobody was killed on the way to a New Year's lunch they were organizing was a starting point.

Beyond that, there were all the problems of ghetto life: finding food in a city where a small sack of potatoes, enough for one family for perhaps three days, costs about \$75; providing heat without electricity when the outside temperature lingers around zero Fahrenheit (minus 18 centigrade); ensuring at least some light, as dusk settles, to eat and talk by.

The lunch invitation came with directions to enter the building through the back door of a bookshop, now a shell-blasted wreck, with a front entrance onto Marshal Tito Street at a point protected from the snipers. Otherwise, there was no

mention of complexities. The only hint came from the thanks that Nermina Corovic, who is a physician specializing in rehabilitation of war wounded, gave for a stranger's gift, a candle. "Wonderful, wonderful," she said.

Inside the Corovics' apartment, it was possible, for a few hours, to forget the war.

'I will never accept that a whole people, or even 50 percent of a people, can be inherently evil, and I don't believe that most Serbs are.'

A Bosnian Muslim

deprivations of the siege. The improvised lunch of pizza and cheese pasta, with a vintage red wine from the Bosnian city of Mostar, was delicious, a tribute to wizardry with United Nations relief supplies and ingredients like tomato sauce that the Corovics saved for months. There was even Turkish coffee and plum brandy, and small cakes that Dr. Corovic had baked atop a wood fire.

Heat came from the wood-burning stove installed in a back bedroom by Fuad Corovic, who was chief executive of one of Bosnia's largest trading companies until

war broke out here in April. Wood, at about \$20 a sack, equivalent to three months of a physician's salary in the collapsed Bosnian currency, was a gift from Ademir Kenovic, Dr. Corovic's brother, who was one of Yugoslavia's best-known young film directors in the years before the war.

Except for two visitors, all at the lunch called themselves Yugoslavs before the war. More than citizenship, this was an idea: All peoples of South Slavic origin — Serbs, Muslims, Croats and others — could belong together, and mix unself-consciously, in the same nation.

Now, in a war that gave the world the term "ethnic cleansing," the Serbian nationalist practice of attacking Muslim and Croatian communities across Bosnia and driving survivors out as refugees, families like the Corovics and the Kenovics speak of themselves as they hardly ever did, as Muslims. Over lunch, there was laughter at the hosts' unfamiliarity with matters devout Muslims might be expected to know, such as the date of Ramadan, the Muslim calendar's holy month.

"I'm sorry, we're not very good Muslims, from that point of view," Dr. Corovic said. "There are more Bibles in this house than Korans."

More than anything, what seemed to transfix those gathered around the fire was the motivation of the Serbian nationalists, who are believed to have left more than 130,000 Muslims dead or missing and more than a million others homeless. Mehmed Kenovic, 68, Dr. Corovic's widowed father, who works with the war

crimes commission impaneled by the Bosnian government, said he believed that most Serbs were decent people who in normal times would have nothing to do with the throat-cutting, gang-rapes and executions that the Serbian nationalists, as well as some Muslim and Croatian fighters, have been accused of.

"I will never accept that a whole people, or even 50 percent of a people, can be inherently evil, and I don't believe that most Serbs are," Mr. Kenovic said. "I believe, I have to believe, that what happened here began with a small group of evil men, who spread this epidemic of hatred to others who were otherwise perfectly moral people."

Mr. Corovic, 51, saw matters differently. Like many Muslims, he recalled that many of his friends and fellow workers before the war were Serbs, some of whom left Sarajevo early in the conflict to join the nationalists, others of whom remained behind, working or fighting for the Bosnian cause.

"When I think of those who went to the other side," he said, "I am deeply hurt, because it seems to me they were looking at me through two different prisms."

"Through one, they saw me as a friend, as a competent businessman, as somebody to have a coffee or a brandy with," he said. "Through the other, and without ever giving me any hint of it, they saw me as a Muslim, as a living symbol of the 500-year Turkish occupation of Serbia, and thus as an enemy. It is this that really hurts me."

PARIS: Eye-to-Eye on the Balkans

(Continued from page 1)

years. With polls forecasting a large victory for his opponents, Mr. Mitterrand's role at the helm of French foreign policy becomes critical to his overall domestic position.

From a high point in intimacy during the Gulf War, cooperation between Washington and Paris has deteriorated steadily for nearly two years. France has resisted U.S. policies on a new role for the North Atlantic Treaty Organization and on the still-unresolved General Agreement on Tariffs and Trade negotiations.

Without publicly giving way to Washington, the Paris government — which has been unable to rally a solid European front in support of French views — has sought some U.S. acknowledgment of France's special role.

Mr. Bush also offered public reassurances on the major worry for French officials: the risk that Serbian regular forces will attack UN ground troops in reprisal for military action to enforce the Security Council's ban on flights. Lightly armed French and British troops — but no U.S. soldiers — are involved in peacekeeping and humanitarian operations in Bosnia.

Referring to allied forces on the ground, Mr. Bush pledged that the United States "would not precipitously do anything unilaterally that would put those troops in danger." Mr. Mitterrand said that he was

comfortable with the U.S. approach outlined to him by Mr. Bush, indicating that the actual planning was at odds with media descriptions of it. This was apparently a reference to reports that U.S. planners wanted to spur calibrated escalation in favor of a first strike at Serbia's military potential that included some major initial targets in Serbia.

Mr. Mitterrand said that the decisive moment for negotiations finally seemed to have arrived, now that Bosnian factions had decided to extend their talks in Geneva.

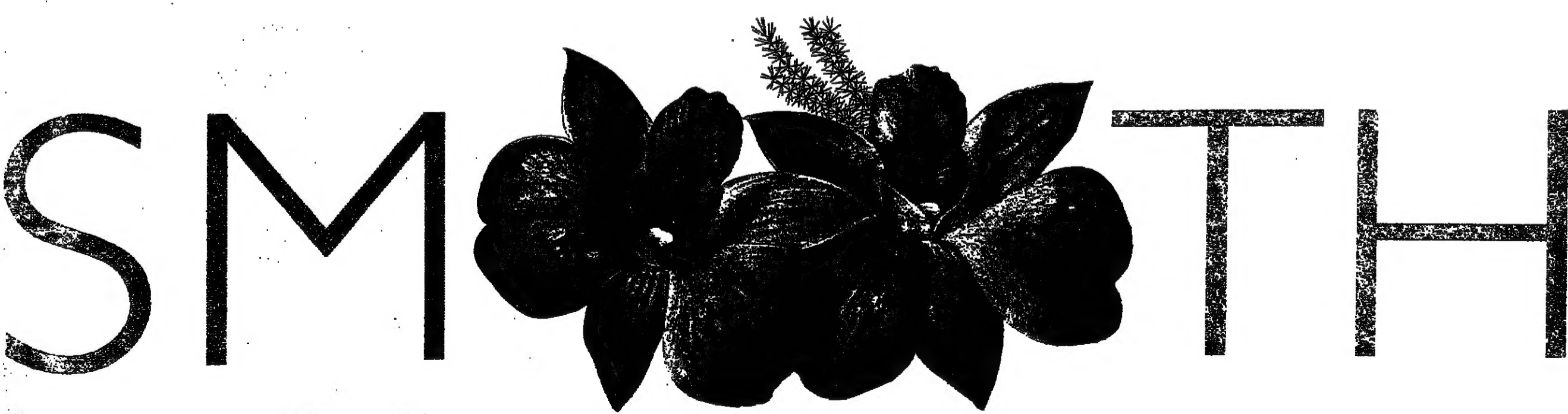
But both men stressed the need to see Security Council resolutions respected in Bosnia and in neighboring Macedonia, and Mr. Bush said that only a little diplomatic work needed to be done in order for a new vote authorizing the use of force, which he said could come soon.

Colombia Police Seize Marxist Guerrilla Chief

Reuters

BOGOTA — Colombian authorities have captured Humberto Javier Callejas Ruiz, second in command of the Marxist Popular Liberation Army, an army spokesman said.

The spokesman said Mr. Callejas was responsible for coordinating hostage takings of industrialists and ranchers.



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To Stop Proliferation

Even as the United States and Russia are sharply reducing their nuclear arsenals, another urgent danger is emerging — the proliferation of nuclear and high-tech arms to renegade states that might have little compunction about using them. How do states like Iraq and Iran arm themselves with material and equipment that could be used to make weapons? With help, it turns out, from the United States and its allies. Lux controls allow Western companies to ship dangerous technologies that have civilian uses but can be converted to military purposes as well. Iraq, for instance, built centrifuges for enriching uranium with welding and milling machinery from Germany, lubricants from the United States and carbon fiber from Japan.

President-elect Bill Clinton can prevent such trade only if he reorients the way the United States and others exercise control over dual-use exports. That means focusing on a short list of potentially dangerous technologies, monitoring their intended uses and barring their misuse.

President George Bush expedited controls over dual-use exports by simplifying procedures and beefing up licensing staffs. But he also put too high a priority on promoting trade, symbolized by a new name for the State Department's Office of Munitions Control: the Center for Defense Trade. Mr. Clinton needs to make clear that U.S. manufacturers are entitled to expeditious decisions, not necessarily favorable ones.

Mr. Clinton sent a mixed message on proliferation during his campaign. His party's platform had a firm pledge to curb proliferation, but his eager endorsements of aircraft sales to Taiwan and Saudi Arabia

undercut it. He could start by strongly reaffirming his party's pledge.

Then he could rein in the agencies that share responsibility to curb the arms trade but do not share an unalloyed interest in doing so. The Commerce Department wants to expand trade, not regulate it. The Nuclear Regulatory Commission seeks to promote nuclear power, not just prevent proliferation. The Defense Department wants to keep arms from falling into the wrong hands — but not at the expense of having defense contractors go broke. And the State Department's interest in cultivating good relations with other countries can interfere with denying them exports. Mr. Clinton might end the confusion by giving authority over arms exports to a dedicated undersecretary of state or a revitalized Arms Control and Disarmament Agency.

Internationally, a Nuclear Suppliers Group of 26 countries tries to control materials and equipment used to make nuclear arms, and other groups do the same for chemical arms and missile-making exports. All this controlling might better be done under one roof, perhaps a new coordinating committee like the one that curbed high-tech trade with Communist states during the Cold War. The new body could target technologies rather than states, and could subject those technologies to sporadic inspection as a condition of sale — as is now done with nuclear fuel for power plants.

Without carefully targeted controls and a firm presidential commitment to make them work, America will remain menaced by proliferation and a new generation of nuclear threats.

— THE NEW YORK TIMES

Slow Forward in Europe

As the new year began, Western Europe passed its self-imposed deadline to complete its common market. This drive to abolish the remaining border barriers has been highly successful and is transforming the basic rules by which European business operates. The results will be visible in much greater efficiency, greater competition and, over time, greater pressure on the 12 member countries to work more closely together.

The Europeans have not fully achieved their original goal of making it as easy for people, goods and money to move among the 12 countries as it is to move between, say, Maryland and Virginia. But they are not far from that. It is not only that the endless delays at border checkpoints will end for trucks. It has become easier for corporations, and now for banks, to operate across national boundaries. There are few limits on the Briton who goes shopping in France or vice versa, which means that prices are soon going to be less dissimilar.

The European Community is now the United States' largest single market for its exports, and anything that supports economic growth there, as the Community certainly does, brings direct benefits to America. But both Americans and Europeans are going to have trouble with an increasingly important defect in the European Community as it now stands.

The 12 countries have never made up their minds as to whether they are building a real political union or, instead, only a loose confederation of separate sovereign nations. The next stage of the Community's development was to have been the political and economic union embodied in the Maastricht treaty and symbolized by a common currency. But the treaty is now embroiled in complicated second thoughts by some of the members, and it will be, at best, delayed. Nor does it really answer the questions about who is ultimately in charge, because it establishes no executive other than the 12 governments' presidents and prime ministers.

Now that real weight and power have been invested in the European Community, this failure of governance has serious consequences. For example, there is the recent deal on farm subsidies that the United States negotiated with the Community. As soon as the agreement was reached, France renounced it and is now vehemently fighting it. Does the Community speak for France? Evidently not — although it thought that it did. The Community is now bumping up against fundamental political decisions that it is going to have to settle before it can proceed further with European ideals of union and a common currency.

— THE WASHINGTON POST

Refocus Republicans

Political parties learn from defeat. A smart or lucky one can purge itself of tired ideas, outdated alliances and candidates who do not quite have it.

It happened to the Democrats during the '80s. Walter Mondale, an otherwise serviceable candidate, showed with his crushing loss in 1984 that the Democrats could no longer depend on their old blend of labor, minorities and the big-city machines. Too many of their voters had moved to the suburbs and become less dependent on the programs and patronage they needed in less prosperous times. In 1988, the showman ideology and charming manner of Michael Dukakis marked the last gasp of the old Democrats.

Now it is the Republicans' turn to figure out how they blew the White House bid money that could have been built on Ronald Reagan's foundations. It may be tempting to blame George Bush, who slid remarkably from invincibility to ineptitude within a year, and let it go at that. And in fact, the party could revive itself for one or two elections by finding a sparkling candidate. But the party need only study its exit polls to see that it faces more fundamental problems.

The Bush campaign lost the swing voters that Mr. Reagan made into behavioral or card-carrying Republicans. In 1980 and 1984, he brought in the young, Mr. Bush

lost them with stand-pat job policies, dealing a serious long-term blow to his party. Women, including independents and some Republicans, drifted away as well, fearing that President Bush and Vice President Dan Quayle really did not think that women (except those related to them) should have the right to choose abortion. Where did these swing voters live? In the suburbs, where Mr. Clinton found his winning edge in what used to be Reagan country.

Hard conservatives and the religious right now say that the Republicans can rebuild by intensifying the policies and rhetoric that drove those marginal voters to Mr. Clinton. By that prescription, the militant right promises to play for Republicans the role that labor played for the Democrats in the last decade — the tail that can wag the dog to death.

A changing electorate will set further requirements for a Republican refocusing. In an increasingly diverse society, the party of Lincoln will sooner or later have to abandon its flirtation with racism that began in 1964 when Barry Goldwater opposed the Civil Rights Act. Playing the race card has linked the Nixon, Reagan and Bush campaigns. To retrieve power and honor, the party will have to admit Lincoln's "better angels" back into its councils.

— THE NEW YORK TIMES

Other Comment

Hail to the Freedom Lobby

Freedom House, celebrating the start of its second half-century, was founded in 1942 by Wendell Wilkie, Eleanor Roosevelt, Fiorello La Guardia, Herbert Agar and others in a coalition determined to talk the United States out of its isolationism. Every year, the New York City-based foundation publishes a political survey rating every state on the globe as "free," "partly free" or "not free." The direction over the last generation has been unmistakable: from 44 free in 1972 to 57 in 1983 to 99 in 1992. Another seven may enter the top group soon. The inexorability

of the overall movement, however, does not mean that each step forward is irreversible.

The threat to freedom takes the form of manifold threats within separate nation-states around the world. To meet these threats, says R. Bruce McCool, head of Freedom House, President-elect Bill Clinton must "foster a new engagement with . . . the human rights community, which traditionally acts as a pressure group to limit or condition assistance to human rights violators." The venerable lobby deserves praise for, once again, nudging Washington gently but firmly in the right direction.

— Los Angeles Times

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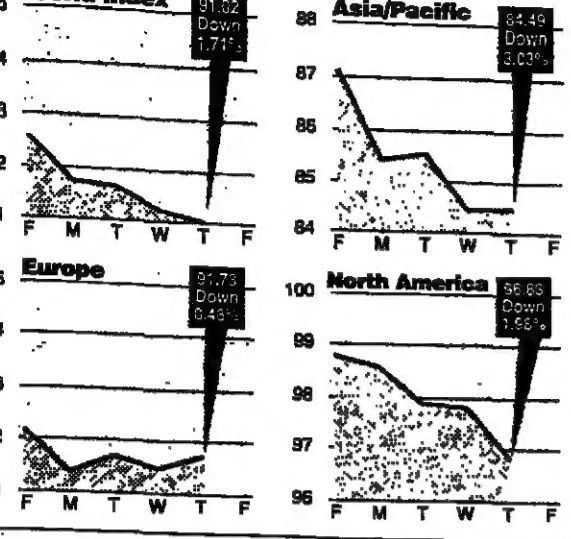
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THE TRIB INDEX

International Herald Tribune World Stock Index, composed of 230 internationally investible stocks from 20 countries, compiled by Bloomberg Business News. Week ending December 31, daily closings, Jan. 1992 = 100.



Industrial Sectors/Weekend close	12/29/92	12/30/92	% change
Energy	91.92	92.54	-0.78
Utilities	95.32	97.88	-1.75
Finance	92.85	95.58	-3.19
Services	101.71	103.17	-1.42
Capital Goods	91.43	92.60	-1.28
Raw Materials	92.38	93.07	-0.74
Consumer Goods	92.73	94.04	-1.39
Miscellaneous	94.85	94.23	-0.66

The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

Trib Index Drops Some Big Names

By Martin Baker

PARIS — Monday is the first day of trading for the reconstituted International Herald Tribune World Stock Index, after a lackluster year for the large, internationally investible stocks that make up the gauge.

Down 8.91 percent over 1992, the Trib Index of 230 shares with the highest market capitalization on the world's 20 most important stock markets, has undergone 25 changes. New index members include Microsoft Corp., the U.S. software company, the Dutch entertainment company Polygram NV, and Tokai Bank Ltd. of Japan. Companies pushed out of the Trib Index include General Motors Corp., Mitsubishi Heavy Industries Ltd., and Allied-Lyons PLC, the British food and beverages company.

The changes have been made on the basis of market capitalization. The number of shares available to international investors is multiplied by the year-end price, providing the top companies in each market, as calculated by Bloomberg Business News. The top 10 shares in total market value in 17 countries are then included in the index. In the three most important markets, New York, Tokyo and London, 20 shares each are represented.

The revision of the Trib Index also addresses the importance, or weighting, accorded to each stock market. The principal factors governing each market's weighting are the value of its shares in local currency and the value of the local currency against the dollar — which is the base currency for all the indexes.

A poor share performance may therefore be outstripped if the market's prices are calculated in a currency that has risen against the dollar. Conversely, a good share performance will be diminished if the local currency falls. An example of the latter case was the fall in the British pound, which lost more than 13 percent against the dollar in the European Monetary System's exchange-rate mechanism crisis last September. As a result, the London stock market's weighting in the index has fallen to 12 percent from 14 percent when the index was first published during the summer. The U.S. weighting has also fallen, to 31 percent from 33 percent, while Japan has held at about 21 percent.

By regions, North America will now account for 33 percent of the overall Trib index, down from 35 percent. Europe has fallen to 39 percent from 40 percent and the Asia/Pacific component has advanced to 28 percent from 25 percent.

The Trib Index can be broken down into eight industrial indexes, comprising utilities, energy, finance, capital goods, raw materials, consumer goods, services and miscellaneous. The most volatile sector in 1992 was financial. Nine stocks left the index, and 16 new financial stocks entered. The raw materials and energy indexes each gained three new stocks, while losing one.

The geographical changes are distributed fairly evenly. In the Pacific region, which consists of five countries and 60 companies, there were seven changes. Among the significant moves, Hong Kong Land Co. ousted the

Major Rules Out Return This Year To Currency Grid

Compiled by Our Staff From Dispatches

LONDON — Britain will not return to the European exchange-rate mechanism this year because the government believes the system is still flawed, Prime Minister John Major said Sunday.

Mr. Major also called for greater cooperation among Europe, the United States and Japan to avoid a repeat of the currency crises that plagued Europe in 1992.

In an interview on BBC television, Mr. Major said one of the main problems with the exchange-rate mechanism is the "disincentive" between interest and exchange rates in Europe and those in the United States and Japan, which he contended had led Europe to become relatively uncompetitive.

As a result, he suggested that the exchange-rate mechanism be expanded to include links to the dollar and the yen.

The prime minister also reiterated the government's forecast for a slow recovery this year, with growth of about 1 percent, followed by accelerating growth in 1994.

Britain, along with Italy, was driven out of the European Community's exchange-rate mechanism in September as speculative selling pressure hit weaker members of the grid amid turmoil over ratification of the Maastricht treaty on closer European union.

Since then, the pound has fallen 19 percent against the dollar and nearly 12 percent against the Deutsche mark, closing out 1992 at \$1.5140 and 2.4542 DM.

Mr. Major said the "idea of having a managed currency, stability of exchange rates, is very attractive for business and commerce."

But he said there was no prospect of Britain rejoining the exchange-rate mechanism this year, or as long as the system failed to address the "fault lines" that had forced the pound out.

He said a British return to the mechanism was "certainly not imminent." Pressed on what that meant, he added: "Imminent is certainly not this year. Beyond that one can't make judgments."

Talking about possible re-entry, Mr. Major said: "Now we may need to look — if we go back into the ERM and if the ERM is recom-

China to Widen Stock Trade but Cut Issues

Compiled by Our Staff From Dispatches

BEIJING — China will expand its stock market experiment this year by encouraging every province to list top companies, but will try to cool the overheated market by cutting the overall amount of stock issued, the China Daily said Sunday.

The new policy represents a major expansion of Beijing's trial run with Western-style securities markets, throwing open the door to participation by both companies and individual investors in China's inland regions.

Stock fever has been one of the most obvious results of the market's economic reforms the Communist Party has put into effect.

The Xinhua news agency quoted an authoritative source as saying the first step would be official permission for each province to select one or two companies for listing on the Shanghai and Shenzhen markets.

"The move is tantamount to an official go-ahead to public issuance of stocks in areas other than Hainan, Fujian and Guangdong, the only three provinces allowed to issue stocks to the general public thus far," Xinhua said in a report last on Saturday.

Beijing has set a target of about 5 billion yuan (\$800 million) for new stock issues in 1993, much lower than the 13 billion yuan issued on the Shanghai and Shenzhen markets in 1992, Xinhua said. Last year's issued value was way above the 4 billion yuan target.

The two markets, which have officially been in operation for about two years, experienced wide price swings in 1992 as uncertain investors bid up prices and then dumped stock. Analysts say the scramble to list new shares temporarily flooded the market with paper.

Share indexes in Shanghai and Shenzhen soared to highs of 1,400 points and 700 points, respectively, in early July. They hit lows of 380 points and 170 points in mid-August before recovering to 780 points and 240 points by the end of the year.

"The plan to issue 5 billion yuan of stocks in 1993 is practical and reasonable," Xinhua said. "The listing of stocks from other parts of China would facilitate easier flow of funds from among different areas while making the capital structure of the stock market more balanced."

The decision to allow national participation in stock markets reflects concern in Beijing that booming coastal areas may be leaving more isolated interior regions behind in the race for development.

Companies across the country have issued stock, but in most cases they have been able to sell the certificates only to their own employees. Shanghai and Shenzhen list mostly local companies and draw mostly local investors.

Purchasers Give Mixed U.K. View

Bloomberg Business News

LONDON — Britain's purchasing managers reported declining activity among manufacturers for the sixth straight month in December and painted a mixed picture of the economic outlook, according to a survey released Sunday.

The purchasing managers' index, a weighted average of indexes on new orders, output and employment, fell to 49.2 percent in December from 49.5 percent in November, the Chartered Institute of Purchasing and Supply said. A reading below 50 shows manufacturers are contracting rather than expanding.

One of the report's key findings was that raw material prices remained high, reflecting the devaluation of the pound in September. The input prices index stood at 68.0 in November, down from 69.8 in October, but far above the 45.2 reading in September.

New orders and output showed moderate expansion because of small rises in export orders and seasonal factors.

"The impact of devaluation alone on exports is, to date, modest," the institute said.

The new orders index rose to 54.1 percent in December from 52.4 percent in November. The output index dipped to 52.8 percent from 53.4 percent, but that level still signaled growing production.

Other good news came from inventories, which fell in December, leading to hopes of higher manufacturing output in coming months.

CAPITAL MARKETS

Eurodollar Bond Issuers Expect a Happy New Year

By Colin Brinsden

LONDON — A traumatic year for European bond markets allowed the U.S. dollar sector to claw back some of its share of 1992 Eurobond issues, and made further gains possible in 1993. Analysts expect a buoyant start to the new year for Eurodollar issuers, as America shows signs of a true economic rebound and hopes rise for an easing of monetary policy in Germany.

"We are generally positive on the dollar," one syndicate manager said. "But we are going into a period of falling interest rates and I think you'll find most markets open for business."

Dollar redemptions are also higher, with \$123.65 billion worth due to mature this year after \$75.51 billion in 1992, according to data supplied by EuroMoney Bondware.

The dollar maintained its lead as the main currency of Eurobond issuance in 1992. Its market share increased to 37.5 percent from 31.8 percent in 1991, moving back towards 1990's level of near 40 percent.

In all, 514 Eurodollar bonds were issued in 1992, amounting to \$103.19 billion after 401 for \$78.73 billion in 1991.

One feature was the revival of floating-rate notes. A total of 186 FRNs, worth \$28 billion, were issued in dollars, compared with 43 worth \$3.87 billion, in 1991.

Fewer Eurobond issues were launched in 1992, but their value overtook that of 1991. A U.S. dollar equivalent of \$275.16 billion of Eurobonds was issued in 1992, compared with \$247.37 billion in 1991, EuroMoney data showed.

A tight-interest-rate policy to fend off rising inflation in Germany was one of the factors leading to some strains within the European Community's exchange-rate mechanism since the autumn. But against a backdrop of turmoil in the ERM, the Deutsche mark became a safe haven for issuing. This status is likely to be maintained at the start of 1993.

A total \$33.11 billion of mark paper was issued, compared with \$17.69 billion in 1991, and although the number of issues was little changed at 141 versus 143, the total included several jumbo issues by European sovereign borrowers.

One disappointment of 1992 was the European currency unit sector, which virtually shut up shop after Denmark rejected the Maastricht treaty. Issuance in Ecu amounted to \$21.71 billion, in 84 issues, compared with \$30.58 billion, and 90 issues in 1991.

French franc issues increased to 107 from 84. But analysts said they expected a slow start to 1993 due to the likelihood of a renewed speculative attack on the franc.

A closely fought British election and later a collapse in the pound caused Eurosterling issues to drop to 99 from 128.

Canadian dollar offerings fell to 89 from 163, partly due to Canadian dollar and uncertainties ahead of the constitution referendum in October.

However, both those sectors are seen giving borrowing opportunities next year, syndicate managers said.

America's economy is bouncing back and hopes are rising for a German policy ease.

Can 2 Americans Clean Up in European Kitchens?

By Barry Rehfeld

NEW YORK — No Norman Rockwell kitchen scene would seem complete without gleaming appliances bearing names like Whirlpool and Maytag lined up like soldiers on review.

But that is the problem: American kitchens are full, and there is scant potential for significant growth in the appliance market. So, like other mature American industries, appliance makers have placed their bets on overseas markets.

Taking the greatest risks are the last of America's big independent appliance manufacturers: Whirlpool Corp., based in Benton Harbor, Michigan, and Maytag Corp., in Newton, Iowa. Each acquired costly European operations four years ago this month.

So far, their results have been startlingly different.

Whirlpool has enjoyed considerable success in Europe. The company now picks up about 20 percent of its profit from that market, and thanks partly to that, has a shot at earning more in 1992 than its 1986 record of \$202 million.

By contrast, Maytag's European operations have reported losses since Maytag bought them, and the dismal performance has contributed to a five-year slide in the company's earnings. Maytag's difficulties have led to speculation that Bosch,

Siemens, Europe's No. 2 appliance maker, may eventually make a takeover bid for it.

Maytag's failure, so far, where Whirlpool has fared so well underlines the importance of making the right acquisition and then cutting costs, increasing efficiency and making smart changes in marketing.

Whirlpool, the world's largest appliance maker with sales of about \$7 billion, and Maytag, with sales of about \$3 billion, were attracted to Europe by its considerable potential for growth.

Unlike the United States, where four manufacturers have almost all the market, Europe is wide open. Also, the average European owns fewer appliances than an American.

And the former Soviet bloc in Central and Eastern Europe is emerging as a market for goods such as modern washers, dryers, refrigerators, ranges and dishwashers.

Whirlpool bought 53 percent of Philips Electronics NV's appliance business in January 1989 and acquired the rest two years later in a deal totaling nearly \$1 billion.

The Philips appliance operation is the third-largest among 100 manufacturers in Europe, and it, as is widely expected, the industry goes through a bruising shakeout now that the European Community has formed a single market, the market leaders are expected to gain.

"You'll have a lot of smaller companies falling by the wayside," said Jeffrey Sprague, an analyst at Paine Webber Inc.

But there was much to be done to get the Philips division in shape. After spending much of the first three years blending the two corporate cultures, Whirlpool has put a high priority on cutting costs and streamlining its European division. It has closed 12 of 28 European warehouses, with up to a dozen more to follow, and has moved to better use the remaining space as well as to simply ship directly to dealers.

The division's operating profit margin, at roughly 4 percent in 1992, still does not approach the American operation's 8 percent. David R. Whitman, Whirlpool's chairman and chief executive, has a goal of raising profit margins worldwide to 10 percent.

Mr. Sprague, the Paine Webber analyst, sees plenty of room for

London Notebook

Canary Wharf Sees a New Bank Line

Soon, said a spokesman for London's Canary Wharf office development, "We will be shouting from the roof tops." Under normal circumstances that would mean good news is forthcoming. But in the case of the \$1.4 billion (\$2.1 billion) Canary Wharf project, where the roofs cap buildings with an 86 percent vacancy rate, things aren't so simple.

In fact, the good news is that the project's administrators at Ernst & Young hope to see the bank's 11 hapless bankers have agreed to spend yet more money in the hope of recouping some of what they have already lent. Specifically, the six are said to be nearing the completion of arduous negotiations with the government whereby the banks will contribute \$400 million toward the \$1.8 billion cost of extending the London Underground to the project.

Once Canary Wharf's period of painful isolation from the rest of the London mass transportation grid has ended, the banks reckon they will have a far more attractive property to fling. Unfortunately, even in the most optimistic scenario the new line is expected to take 52 months to complete. In the meantime, prospective tenants can find offices in the City of London financial district at half the price of five years ago.

American Express and Chemical Bank already have abandoned plans to move to Canary Wharf. Other tenants such as the investment banks Morgan Stanley and Bear Stearns have made the move and find themselves paying rent not only on their new offices but on some of their old ones as well, because Canary Wharf's developers are in no position to take over those old leases as they had originally agreed.

Geoff Marsh, managing director at Applied Property Research, said Canary Wharf's problems merely reflect "the whole London malaise," including vacancy rates in the City of 20 percent.

Losing the Financial Edge

A severe case of maturity has hit one of Britain's hottest growth industries of the 1980s — finance. A recent survey of bankers conducted by Price Waterhouse revealed that the industry's basic products are all looking a little long in the tooth. The flow of innovative new products, the sort that reward their inventors with fat profits, has slowed to a trickle.

What is worse is that even if clever financiers could conjure up new ideas, Andrew Stott, a partner at Price Waterhouse Capital Markets Group, doubts there would be much demand for them. "The level of innovation has gone as far as many users of these products would consider useful," he said. Barring a demonstrably large cost savings, corporate treasurers would be content to let the bankers' wondrous new products languish on their shelves.

The survey identified the biggest threat to the industry's profitability as being one of simple overcapacity. "The brave," Mr. Stott said, "will consider an exit strategy." Others are expected to scale down their ambitions, concentrating on a few profitable market niches rather than offering complete soup to nuts services.

The performance of London's immense stock of investment banks has lagged far behind Wall Street's record-breaking performance of the last two years. Although some London bankers have bucked the trend and reaped sizable profits even in the last two depressed years, the majority "expect to find it more difficult to make money," Mr. Stott said. In contrast to Wall Street, which has a huge domestic market to service, Britain's is small. Although more and more attention in London is devoted to offering services to the former East Bloc countries, the profit margins remain slim there.

One of the greatest contractions has come in mergers and acquisitions. The magazine Acquisitions Monthly last week totaled the value of the publicly announced bids of 1992 and arrived at the paltry figure of £7.5 billion. That was down 25 percent from the disastrous performance of 1991, and by more than 86 percent from the record year of 1989.

CURRENCY RATES

Cross Rates	12/29/92	12/30/92	% change
Amsterdam	1.85	1.85	0.00
Bremen	3.05	3.05	0.00
Frankfurt	1.84	1.84	0.00
London (d)	1.51	1.51	0.00
Madrid	16.00	16.00	0.00
Milan	1.25	1.25	0.00
New York (N)	1.51	1.51	0.00
Paris	5.00	5.00	0.00
Tokyo	1.50	1.50	0.00
Zurich	1.48	1.48	0.00
1 ECU	1.35	1.35	0.00

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APPLIANCE:

Rates Seen Stable, Borrowing to Rise

Compiled by Our Staff From Dupont

NEW YORK — After a year in which U.S. Treasury bond yields swung sharply but ended just where they started, many analysts are predicting rates will be broadly stable in early 1993.

That outlook is backed up by expectations that the economic recovery will continue at a modest pace, analysts said. The prospect of

U.S. CREDIT MARKETS

steady, low interest rates, in turn, is expected to lead to a heavy wave of borrowings by corporations and governments, they added.

"The corporate market is gearing up for what promises to be a very busy January," said Steve Clark, senior corporate bond analyst for First Boston.

"We have a stable rate environment and the amount of corporate debt on the registration shelf is at record levels," he said. Borrowers such as Ford Motor Co., the World Bank, Eli Lilly & Co., Ontario Hydro and Hydro Quebec will tap the market, he added.

Last week, prices of U.S. Treasury notes and bonds eased slightly

in a holiday-shortened span. The Treasury's bellwether 7½ percent bond due 2022 eased 15/32 on the week, to close at 102 22/32 Thursday. The yield rose to 7.39 percent from 7.36 percent.

That was virtually unchanged from the 7.40 percent yield on the prevailing long bond at the end of 1991. But the bond was anything but unchanged during the year. The yield jumped to a closing high of 8.10 percent in late April, then tumbled to a low of 7.23 percent in early September.

The decline in bonds last week came as traders reacted to news depicting a strengthening U.S. economy. Sales of existing homes jumped 5.8 percent in November. The Conference Board's consumer confidence index gained 12.7 percent to 78.3 in December.

Market participants will focus on the December employment data due to be released Friday.

"That number won't do a whole lot, because it is a modest increase and fits in with what people think generally — the economy is moving forward slowly," said Carol Stone, economist at Nomura Securities.

(Reuters, UPI)

FRANC: New Year Fireworks in Store for Currency

(Continued from page 1)

doubt it. Money supply growth remains high, inflation will get a boost with the New Year increase in the value added tax and wage negotiations have yet to settle on levels deemed noninflationary by the central bank.

"I see no reason for the Bundesbank to change its stance yet," said Paul Chertkow, London-based economist at UBS Phillips & Drew.

But given the evidence of a snowballing slowdown in the German economy, Mr. Chertkow does expect substantial German rate reductions by the end of the first quarter. Until then, he believes, the Bank of France, supported by the Bundesbank, will succeed in defending the franc.

"We will know by the end of the first week in January," he said, whether the tandem can repeat its success of last autumn in repelling speculators.

But market doubts that France can hold out that long feed speculation that France will have to find some other solution.

Perhaps, some analysts suggest, a resurgent dollar will alleviate tensions on European cross-rates.

Simon Crane, a London-based trading adviser to banks, sees a potential for the dollar to rise to around 1.67 DM, up from its year-end closing of just over 1.62 DM.

Mr. Chertkow agrees the dollar could be brushing 1.67 DM, but toward the end of the first quarter, not soon enough to relieve the pressure on the franc.

The French have consistently argued that their economic fundamentals — a very low inflation rate, the best growth rate in Europe and a comfortable trade surplus — do not justify devaluing the franc against the mark.

But from the market's perspective, France's ability to cope with the high interest rates that come with the fixed-band currency grid looks increasingly suspect as legislative elections approach in March.

Unemployment is rising with the November rate of 10.5 percent, up from 10.3 percent in September, and the other economic data are all downbeat. Company profits have been hit by the loss of competitiveness in Europe following the large devaluations of sterling, the lira, the peseta and the escudo.

"Reports at the company level suggest a plunge in investment spending since September," J.P. Morgan said in a survey. It adds that the recent drop in exports "suggests that trade is now subtracting from growth." Morgan estimates that total output in the fourth quarter fell by 0.3 percent.

Real French interest rates — what's left after subtracting for in-

The Week Ahead: World Economic Calendar, Jan. 4-8

A schedule of this week's economic and financial events

Asia

Jan. 4 Sydney Westpac Bank to release its annual report for the year ended Sept. 30, for which the bank has already reported a \$5 billion dollar loss.

Jan. 5 Hong Kong Retail sales figures for October. Outlook: Strong growth. Canberra Australian balance of payments for November. Forecast: Deficit to narrow to \$1.7 billion.

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Jan. 7 Frankfurt Regular Bundesbank council meeting. Outlook: No change in key interest rates expected. Frankfurt West German December unemployment. Forecast: Up 4,000, after a 11,000 decline in October.

Jan. 8 London British new car sales. Outlook: November sales a 6.2 percent year-on-year rise in sales and a further positive rise is expected, with some expecting an annual rise as high as 30 percent.

Jan. 8 Frankfurt Wage bargaining between German government and OGV public sector begins.

Europe

Jan. 4 Expected during the week: Frankfurt German November industrial production. Forecast: Down 0.5 percent after a 2.2 percent decline in October.

Jan. 5 Frankfurt German November current account. Forecast: Deficit of 1.0 billion DM, after 1.2 billion DM deficit in October.

Jan. 6 Frankfurt German federal consumer price index. Forecast: Unchanged in month and up 3.6 percent in year, after a 1.0 percent monthly rise and a 3.3 percent annual rise in November.

Jan. 6 Copenhagen Danish November unemployment rate. Forecast: 11.4 percent, up from 11.3 percent in October.

Jan. 6 London British December oil

reserves. Forecast: Down \$500 million after \$500 million rise in November.

Jan. 6 Brussels First meeting of European Community under Danish presidency. Meeting continues through Wednesday.

Jan. 7 Frankfurt Regular Bundesbank council meeting. Outlook: No change in key interest rates expected. Frankfurt West German December unemployment. Forecast: Up 4,000, after a 11,000 decline in October.

Jan. 8 London British new car sales. Outlook: November sales a 6.2 percent year-on-year rise in sales and a further positive rise is expected, with some expecting an annual rise as high as 30 percent.

Jan. 8 Frankfurt Wage bargaining between German government and OGV public sector begins.

The Americas

Jan. 4 Washington Commerce Department reports November construction spending. Forecast: A 0.5 percent increase.

Jan. 5 Ottawa Canadian composite leading indicator for October.

Jan. 5 Ottawa Short-term economic expectations survey for December.

Jan. 6 Ottawa The Bank of Canada sets its discount rate following weekly auction of Treasury bills.

Jan. 6 Detroit U.S. and import automakers hold press preview for the North American International Auto Show in Detroit, which opens for nine days starting Jan. 9.

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on plans announced Dec. 15 to stop car production and form sales alliances with Honda Motor Co.

Jan. 7 Washington Labor Department reports weekly state unemployment compensation insurance claims. Preliminary forecast: An increase of 6,000 to 338,000 claims.

Jan. 7 Washington Commerce Department reports November construction spending. Forecast: A 0.5 percent increase.

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MUTUAL FUNDS (Continued)

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WORLD STOCKS IN REVIEW

Via Agence France-Press

Amsterdam

The stock market ended 1992 in a quiet mood, with the CBS all-share index down 0.3 point in the week to 198.0. It was not a vintage year; the market advanced 3.4 percent, compared with 13.7 percent in 1991.

But according to the Kempen & Co. brokerage there was an enormous spread in performances across various sectors. Financial and publishing shares advanced more than 20 percent, while the transport, technology and paper sectors lost more than 30 percent.

Frankfurt

The stock market ended a gloomy year with signs of optimism, as the DAX spot index rose 1.18 percent in the week to 1,545.05 points.

For the year, the DAX fell 5 percent amid fears that German anti-inflationary zeal could up the likelihood of the European economy into a recession. After passing

1,800 in May, the market was sent into sharp reverse by a tightening of monetary policy by the Bundesbank in July.

Investors are cautiously optimistic about the coming year, but the market could suffer if the Bundesbank does not cut interest rates soon. Commerzbank said.

Hong Kong

Despite concern caused by the quarrel between Britain and China over the future of Hong Kong, the Hang Seng index ended 1992 at 5,512.39 points, racking up a record gain of 1,215.06 points or 28.28 percent over the year.

Brokers said the market had been supported by the booming economy of southern China, which attracted investors away from other stock markets in the region. The trend is expected to continue although the volatile political situation means investment is not for the faint-hearted, they added.

London

A 19-point gain for the Financial Times-Stock Exchange 100 index to 2,846.5 took the increase over a

roller-coaster year to 14.2 percent, making London second-best only to Zurich in Europe. The index finished the year just short of its record high.

Operators said that the traditional end-of-year price rise had been driven by the strong opening of the winter retail sales and by several studies expressing confidence that the economy would begin to recover in 1993.

But optimism was restrained when the chancellor of the Exchequer, Norman Lamont, repeated

that the market should not soon expect interest rates to fall further. Most analysts are optimistic about the outlook for next year although front-end stocks are felt already to be reflecting a significant earnings recovery.

Forecasts for the FT-SE 100 index range from 2,850 to 2,900 at the end of the year to 3,500.

Milan

Milan shares celebrated the end of a difficult year for the Italian economy with a sharp rise. The

MLB index put on 1.6 percent to close at 884 points.

From the beginning of a year marked by the lira's devaluation and concern about out-of-control state spending, the index of leading shares lost 11.6 percent.

But the prospect of a plan to boost stock prices via tax breaks for small investors allowed the market to finish the year on a bright note.

Paris

At the end of a turbulent year in which the stock market weathered

a series of monetary storms, brokers had an unusually boring week in Paris.

The CAC 40 index gained 0.1 percent over the week to close on Thursday at 1,657.73, a 5.22 percent gain on the year.

After a buoyant start to 1992, the Bourse suffered after the Danish rejection of the Maastricht treaty and France's own narrow endorsement.

Brokers said the market was well-supported at its current level, having regained the 1,850 level the previous week for the first time in

three months. But for further gains the market needs the encouragement of a cut in interest rates, which depends on what the Bundesbank does.

Singapore

The year ended on a firm note with the Straits Times industrial index passing the 1,500 support level, ending at 1,534.40. Bullish expectations of a steadier market in 1993 pushed share prices higher, analysts said.

Over the year, the Straits Times industrial index edged up 2 percent but local brokers are predicting a 15 to 20 percent rise next year on anticipation of an economic improvement, the flotation of Singapore Telecom and cuts in personal and corporate income tax.

Tokyo

Share prices took a beating, falling 632.09 points on the week, as dark clouds gathered around the prospects for the Japanese economy in 1993.

The 225-issue Nikkei Stock Average closed the year at 16,924.95

yen. It was the first time the Nikkei had closed below 17,000 since Nov. 19, and represented a fall of more than 6,000 points, or 26.4 percent, from the 1991 finish of 22,985.77 yen.

The plunge in the end-of-year trading reflected the failure of two pump-prime packages from the government, brokers said.

Zurich

Zurich's market was the best performer in Europe for the year. The Swiss Performance Index climbed 17.57 points on the week to close at the high point for the year, 12,385.20.

Over the year, the market rose 17.6 percent, confounding predictions of a slump after the Swiss public's rejection in December of membership in the European Economic Area.

Zurich benefited from the currency turmoil in Europe with American investors seeing blue-chip international stocks there as a safe haven, brokers said.

The recovery of the dollar, which has an impact on the international earnings of Swiss multinationals, also helped sentiment, they added.

Seoul Makes More Room for Foreign Money

Agence France-Press

SEOUL — South Korea will allow foreign investors to put more money into stocks this year in an attempt to boost the sluggish market, the Finance Ministry said Saturday.

In a policy report on the stock market, the ministry said the government would allow foreigners to buy more shares by increasing the ceiling for foreign investment in stocks to an unspecified level.

At present, individual foreign investors can buy up to 3 percent of shares of a company and overall foreign investment in a company is limited to 10 percent of issued shares.

The market was opened to direct foreign investment in January 1992. In the 11 months from then to November, foreign investors bought an estimated \$2.3 billion of shares and sold shares worth \$340 million.

Foreign investors are expected to bring \$2

billion to \$3 billion this year to buy shares as a market gain is forecast in tandem with economic recovery.

Share prices on the Seoul stock market gained 8.7 percent in value during 1992, ending a three-year losing streak.

The market closed the year's trading last week with the Composite Stock Price Index finishing at 678.44 points, up 54.21 points from the beginning of the year.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Thursday, Dec. 31.

Sales In					100s	High	Low	Close	Net
AAW B	14	34.00	33.75	33.75	-1				
AAW C	10	34.00	33.75	33.75	-1				
AAW D	10	34.00	33.75	33.75	-1				
AAW E	10	34.00	33.75	33.75	-1				
AAW F	10	34.00	33.75	33.75	-1				
AAW G	10	34.00	33.75	33.75	-1				
AAW H	10	34.00	33.75	33.75	-1				
AAW I	10	34.00	33.75	33.75	-1				
AAW J	10	34.00	33.75	33.75	-1				
AAW K	10	34.00	33.75	33.75	-1				
AAW L	10	34.00	33.75	33.75	-1				
AAW M	10	34.00	33.75	33.75	-1				
AAW N	10	34.00	33.75	33.75	-1				
AAW O	10	34.00	33.75	33.75	-1				
AAW P	10	34.00	33.75	33.75	-1				
AAW Q	10	34.00	33.75	33.75	-1				
AAW R	10	34.00	33.75	33.75	-1				
AAW S	10	34.00	33.75	33.75	-1				
AAW T	10	34.00	33.75	33.75	-1				
AAW U	10	34.00	33.75	33.75	-1				
AAW V	10	34.00	33.75	33.75	-1				
AAW W	10	34.00	33.75	33.75	-1				
AAW X	10	34.00	33.75	33.75	-1				
AAW Y	10	34.00	33.75	33.75	-1				
AAW Z	10	34.00	33.75	33.75	-1				
AAW AA	10	34.00	33.75	33.75	-1				
AAW AB	10	34.00	33.75	33.75	-1				
AAW AC	10	34.00	33.75	33.75	-1				
AAW AD	10	34.00	33.75	33.75	-1				
AAW AE	10	34.00	33.75	33.75	-1				
AAW AF	10	34.00	33.75	33.75	-1				
AAW AG	10	34.00	33.75	33.75	-1				
AAW AH	10	34.00	33.75	33.75	-1				
AAW AI	10	34.00	33.75	33.75	-1				
AAW AJ	10	34.00	33.75	33.75	-1				
AAW AK	10	34.00	33.75	33.75	-1				
AAW AL	10	34.00	33.75	33.75	-1				
AAW AM	10	34.00	33.75	33.75	-1				
AAW AN	10	34.00	33.75	33.75	-1				
AAW AO	10	34.00	33.75	33.75	-1				
AAW AP	10	34.00	33.75	33.75	-1				
AAW AQ	10	34.00	33.75	33.75	-1				
AAW AR	10	34.00	33.75	33.75	-1				
AAW AS	10	34.00	33.75	33.75	-1				
AAW AT	10	34.00	33.75	33.75	-1				
AAW AU	10	34.00	33.75	33.75	-1				
AAW AV	10	34.00	33.75	33.75	-1				
AAW AW	10	34.00	33.75	33.75	-1				
AAW AX	10	34.00	33.75	33.75	-1				
AAW AY	10	34.00	33.75	33.75	-1				
AAW AZ	10	34.00	33.75	33.75	-1				
AAW BA	10	34.00	33.75	33.75	-1				
AAW BB	10	34.00	33.75	33.75	-1				
AAW BC	10	34.00	33.75	33.75	-1				
AAW BD	10	34.00	33.75	33.75	-1				
AAW BE	10	34.00	33.75	33.75	-1				
AAW BF	10	34.00	33.75	33.75	-1				
AAW BG	10	34.00	33.75	33.75	-1				
AAW BH	10	34.00	33.75	33.75	-1				
AAW BI	10	34.00	33.75	33.75	-1				
AAW BJ	10	34.00	33.75	33.75	-1				
AAW BK	10	34.00	33.75	33.75	-1				
AAW BL	10	34.00	33.75	33.75	-1				
AAW BM	10	34.00	33.75	33.75	-1				
AAW BN	10	34.00	33.75	33.75	-1				
AAW BO	10	34.00	33.75	33.75	-1				
AAW BP	10	34.00	33.75	33.75	-1				
AAW BQ	10	34.00	33.75	33.75	-1				
AAW BR	10	34.00	33.75	33.75	-1				
AAW BS	10	34.00	33.75	33.75	-1				
AAW BT	10	34.00	33.75	33.75	-1				
AAW BU	10	34.00	33.75	33.75	-1				
AAW BV	10	34.00	33.75	33.75	-1				
AAW BW	10	34.00	33.75	33.75	-1				
AAW BX	10	34.00	33.75	33.75	-1				
AAW BY	10	34.00	33.75	33.75	-1				
AAW BZ	10	34.00	33.75	33.75	-1				
AAW CA	10	34.00	33.75	33.75	-1				
AAW CB	10	34.00	33.75	33.75	-1				
AAW CC	10	34.00	33.75	33.75	-1				
AAW CD	10	34.00	33.75	33.75	-1				
AAW CE	10	34.00	33.75	33.75	-1				
AAW CF	10	34.00	33.75	33.75	-1				
AAW CG	10	34.00	33.75	33.75	-1				
AAW CH	10	34.00	33.75	33.75	-1				
AAW CI	10	34.00	33.75	33.75	-1				
AAW CJ	10	34.00	33.75	33.75	-1				
AAW CK	10	34.00	33.75	33.75	-1				
AAW CL	10	34.00	33.75	33.75	-1				
AAW CM	10	34.00	33.75	33.75	-1				
AAW CN	10	34.00	33.75	33.75	-1				
AAW CO	10	34.00	33.75	33.75	-1				
AAW CP	10	34.00	33.75	33.75	-1				
AAW CQ	10	34.00	33.75	33.75	-1				
AAW CR	10	34.00	33.75	33.75	-1				
AAW CS	10	34.00	33.75	33.75	-1				
AAW CT	10	34.00	33.75	33.75	-1				
AAW CU	10	34.00	33.75	33.75	-1				
AAW CV	10	34.00	33.75	33.75	-1				
AAW CW	10	34.00	33.75	33.75	-1				
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AAW DA	10	34.00	33.75	33.75	-1				
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AAW DJ	10	34.00	33.75	33.75	-1				
AAW DK	10	34.00	33.75	33.75	-1				
AAW DL	10	34.00	33.75	33.75	-1				
AAW DM	10	34.00	33.75	33.75	-1				
AAW DN	10	34.00	33.75	33.75	-1				
AAW DO	10	34.00	33.75	33.75	-1				
AAW DP	10	34.00	33.75	33.75	-1				
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AAW DR	10	34.00	33.75	33.75	-1				
AAW DS	10	34.00	33.75	33.75	-1				
AAW DT	10	34.00	33.75	33.75	-1				
AAW DU	10	34.00	33.75	33.75	-1				
AAW DV	10	34.00	33.75	33.75	-1				
AAW DW	10	34.00	33.75	33.75	-1				
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AAW DY	10	34.00	33.75	33.75	-1				
AAW DZ	10	34.00	33.75	33.75	-1				
AAW EA	10	34.00	33.75	33.75	-1				
AAW EB	10	34.00	33.75	33.75	-1				
AAW EC	10	34.00	33.75	33.75	-1				
AAW ED	10	34.00	33.75	33.75	-1				
AAW EE	10	34.00	33.75	33.75	-1				
AAW EF	10	34.00	33.75	33.75	-1				
AAW EG	10	34.00	33.75	33.75	-1				
AAW EH	10	34.00	33.75	33.75	-1				
AAW EI	10	34.00	33.75	33.75	-1				
AAW EJ	10	34.00	33.75	33.75	-1				
AAW EK	10	34.00	33.75	33.75	-1				
AAW EL	10	34.00	33.75	33.75	-1				
AAW EM	10	34.00	33.75	33.75	-1				
AAW EN	10	34.00	33.75	33.75	-1				
AAW EO	10	34.00	33.75	33.75	-1				
AAW EP	10	34.00	33.75	33.75	-1				
AAW EQ	10	34.00	33.75	33.75	-1				
AAW ER	10	34.00	33.75	33.75	-1				
AAW ES	10	34.00	33.75	33.75	-1				
AAW ET	10	34.00	33.75	33.75	-1				
AAW EU	10	34.00	33.75	33.75	-1				
AAW EV	10	34.00	33.75	33.75	-1				
AAW EW	10	34.00	33.75	33.75	-1				
AAW EX	10	34.00	33.75	33.75	-1				
AAW EY	10	34.00	33.75	33.75	-1				
AAW EZ	10	34.00	33.75	33.75	-1				
AAW FA	10	34.00	33.75	33.75	-1				
AAW FB	10	34.00	33.75	33.75	-1				
AAW FC	10	34.00	33.75	33.75	-1				
AAW FD	10	34.00	33.75	33.75	-1				
AAW FE	10	34.00	33.75	33.75	-1				
AAW FF	10	34.00	33.75	33.75	-1				
AAW FG	10	34.00	33.75	33.75	-1				
AAW FH	10	34.00	33.75	33.75	-1				
AAW FI	10	34.00	33.75	33.75	-1				
AAW FJ	10	34.00	33.75	33.75	-1				
AAW FK	10	34.00	33.75	33.75	-1				
AAW FL	10	34.00	33.75	33.75	-1				
AAW FM	10	34.00	33.75	33.75	-1				
AAW FN	10	34.00	33.75	33.75	-1				
AAW FO	10	34.00	33.75	33.75	-1				
AAW FP	10	34.00	33.75	33.75	-1				
AAW FQ	10	34.00	33.75	33.75	-1				
AAW FR	10	34.00	33.75	33.75	-1				
AAW FS	10	34.00	33.75	33.75					

MONDAY SPORTS FOOTBALL

The Morning After, One Voice for No. 1: Alabama

By Malcolm Moran

New York Times Service

NEW ORLEANS — There was no argument the morning after. There were no debates about the system that debauched the top team in college football, no unexplained first-place votes among the electorate and no outraged appeals from distant precincts.

"It was all or nothing," Gino Torretta, the Heisman Trophy winner and suddenly beleaguered Miami quarterback, said after Alabama's 34-13 victory in the Sugar Bowl denied Miami a second straight perfect season and a fifth unofficial championship in 10 years.

Alabama had won its sixth championship since The Associated Press media poll was introduced in 1936, and the first since the 1979 season. Miami, which had won 29 consecutive games, was third for its seventh consecutive top-three finish.

But those numbers provided no consolation for Miami's coach, Dennis Erickson.

"Second, third, fourth, fifth doesn't do you any good in this business," he said.

An Alabama offense that some Hurricanes had labeled as one-dimensional succeeded in putting Miami into the fifth dimension.

Alabama was outgained, 326 yards to 285. But the 267 rushing yards produced by the Tide, which

included 135 by Derrick Lassic, who was voted the game's most outstanding player, were enough to turn the necessarily conservative philosophy of Alabama's coach, Gene Stallings, into a memorable success.

Alabama's ability to punish Miami with its offensive and defensive lines, and success with its previously inconsistent kicking game, allowed the Tide to take control of the game despite its dependence on the run for 94 percent of its offense.

Jay Barker, the sophomore quarterback who has led Alabama to victory in each of his 17 starts, completed just 4 of 13 passes for 18 yards, with two interceptions.

But with Lassic gaining 106 yards before halftime against a Miami defense that had allowed an average of just 102 yards in its previous 11 games, a central part of Stallings' plan was able to work.

He had laid out a simple formula. To keep the Miami offense off the field as much as possible, and to keep the clock moving, Stallings wanted at least 65 percent of his team's offensive possessions to last at least seven plays.

Alabama's first four possessions lasted 7, 8, 8 and 11 plays. The fifth possession, set up by the first of Torretta's three interceptions, went for 31 yards in five plays for a two-yard touchdown by Sherman Williams and a 13-0 lead.

The Tide did not reach the 65 percent level Stallings had sought — there were 5 of 13 drives of 7 plays or more, or 38 percent. But the success in the running game allowed Alabama to have possession for 36 minutes, 4 seconds, or 12:08 longer than Miami had the ball.

Stallings' preference is to have enough of a balance to produce at least 175 passing yards. "I'd say we were about 165 yards short," he said the morning after, with a smile.

But with the Tide aroused by Miami's pregame pronouncements — "Our offensive line took that as a challenge," Lassic said — the plan worked.

It worked because of the overwhelming presence of Eric Curry and John Copeland, Alabama's senior all-America defensive ends whose influence was obvious in every place but the listing of tackles. Copeland was in on just four tackles, and Curry was not part of one. Just don't tell them that, Erickson.

"We doubled them with a back and a tackle on them," the Miami coach said. "They got to us sometimes when they rushed three guys. There were times when we blocked them and we didn't make the throws, or we dropped it, or we fumbled it. Everything that could have gone wrong, went wrong."

The Miami rushing game, which had struggled all season as a result

The Top 25

The top 25 teams in the final 1992 Associated Press college football poll, with first-place votes in parentheses, season records, total points based on 25 for a first-place vote through each of 25th place vote, and previous ranking.

Rank	Team	Record	Points	Prior
1	Alabama (2)	12-0	155	2
2	Florida St.	11-1	149	3
3	Michigan	11-1	141	1
4	Notre Dame	10-1	137	5
5	Michigan	9-2	126	7
6	Syracuse	9-2	122	8
7	Texas A&M	12-0	117	4
8	Georgia	10-2	115	6
9	Stanford	10-2	112	10
10	Florida	9-2	107	11
11	Washington	9-3	87	9
12	Tennessee	9-3	87	12
13	Colorado	9-2	81	13
14	Nebraska	9-3	77	11
15	Washington St.	9-3	68	14
16	Mississippi	9-3	60	15
17	N. Carolina St.	9-3	52	12
18	Ohio St.	8-4	49	15
19	North Carolina	9-3	49	19
20	Hawaii	9-3	34	16
21	Boston College	9-3	31	14
22	Kansas	8-4	18	17
23	Mississippi St.	8-4	16	18
24	Penn. St.	8-4	12	19
25	Wake Forest	8-4	10	17

three interceptions led to an Alabama touchdown, Miami committed four turnovers, while Alabama had just two.

Six years ago, Miami's only other Heisman season came to a shocking end when the last of Vinny Testaverde's five interceptions sealed Penn State's victory over the Hurricanes in a No. 1 vs. No. 2 Fiesta Bowl.

Erickson said that Torretta's hectic award tour — which included a crack-of-dawn air trip into a storm early on Dec. 12 — had affected his preparation for the game. The coach emphasized that he was making an observation, not an excuse.

"I think the hoopla, the time spent is very distracting," Erickson said. "I've never been around one before. Seeing what he went through, it's pretty darn hard for him to concentrate on what he's supposed to concentrate on. I wish they'd make the decision after the bowl game. Move it back."

When the clock struck zero and Miami's hope for a 30th consecutive victory was officially gone, Michael Barrow, the Miami linebacker who refused to shake hands before the coin flip and went on to be a part of a game-high 13 tackles, smiled as he embraced Alabama players near the middle of the field.

Rose Bowl: Tyrone Wheatley scored three touchdowns, in one of the most spectacular performances

in the 79-year history of the game, as seventh-ranked Michigan beat No. 9 Washington, 38-31, in Pasadena, California.

Wheatley, a sophomore tailback, scored on runs of 56, 88 and 24 yards and rushed for 235 yards as the Wolverines averaged a 34-14 loss to the Huskies in last year's New Year's Day game.

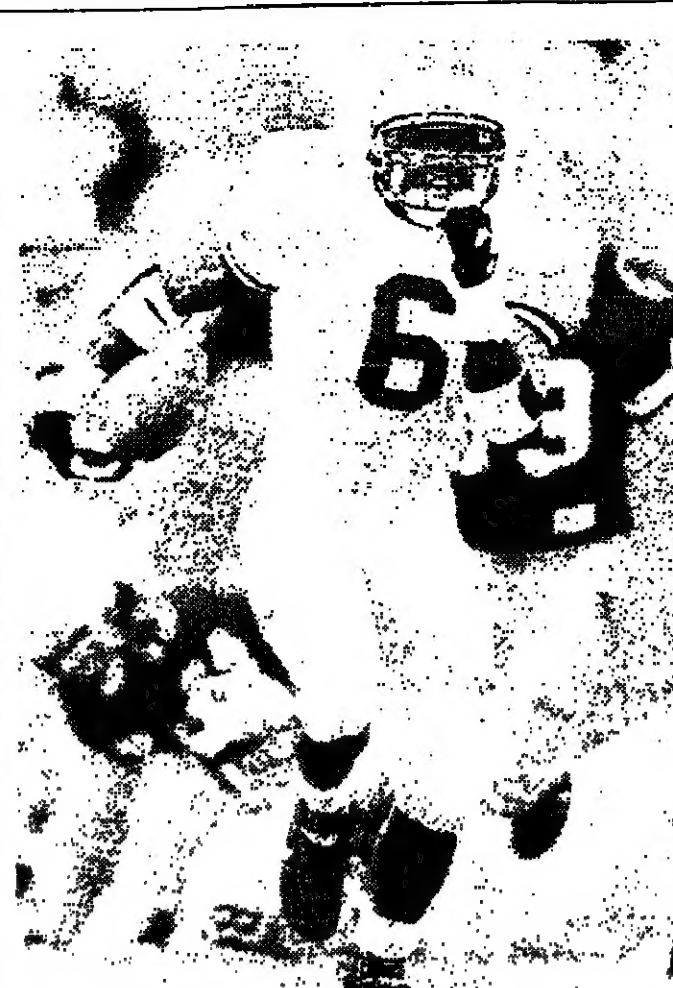
And Wheatley accomplished all that without playing in the fourth quarter, when he went to the sideline with back spasms.

Orange Bowl: With elusive Charlie Ward dodging blitzes all game and throwing two touchdowns passes, No. 3 Florida State beat No. 11 Nebraska, 27-14, in Miami.

The Seminoles (11-1) broke an National Collegiate Athletic Association record by winning a bowl game for the eighth consecutive season — UCLA set the old mark in 1983-89 — while the Cornhuskers (9-3) extended their losing streak in bowl games to six.

Peach Bowl: No. 19 North Carolina's defense cashed in with two second-half touchdowns, one a 64-yard interception return by Cliff Baskerville, for a 21-17 victory over No. 24 Mississippi State in Atlanta.

North Carolina's victory in its first bowl appearance since 1986 was preserved when Kerry Mock intercepted Greg Plump's pass at the Tar Heels' 19 with 2:37 left after the Bulldogs had driven 57 yards.



Tailback Tyrone Wheatley taking off for one of his three touchdowns in the Rose Bowl, where Michigan defeated Washington.

SCOREBOARD

NBA Standings

EASTERN CONFERENCE

Atlantic Division

Team	W	L	Pct	GB
New York	14	13	.520	0
New Jersey	13	12	.520	0
Orlando	12	13	.480	1
Boston	12	12	.500	1
Washington	10	13	.435	3
Philadelphia	8	18	.308	7
Atlanta	8	17	.320	8

Central Division

Team	W	L	Pct	GB
Chicago	22	7	.759	0
Cleveland	18	12	.600	4
Detroit	17	12	.586	5
Charlotte	15	13	.538	6
Indiana	14	14	.500	7
Atlanta	12	15	.444	9
Atlanta	12	15	.444	9

WESTERN CONFERENCE

Midwest Division

Team	W	L	Pct	GB
Utah	19	8	.704	0
Houston	14	13	.519	5
San Antonio	14	12	.538	4
Denver	7	20	.259	12
Minnesota	10	15	.400	9
Dallas	7	23	.233	16

Pacific Division

Team	W	L	Pct	GB
Phoenix	21	4	.840	0
Seattle	19	8	.704	2
Portland	17	9	.654	4
L.A. Clippers	16	12	.571	5
L.A. Lakers	15	12	.556	6
Golden State	10	16	.385	11
Sacramento	11	16	.407	11

Saturday's Results

Team	Score	Team	Score
LA Clippers	104	San Antonio	101
New York	104	San Antonio	101
Houston	104	San Antonio	101
Phoenix	104	San Antonio	101
Seattle	104	San Antonio	101
Portland	104	San Antonio	101
L.A. Clippers	104	San Antonio	101
L.A. Lakers	104	San Antonio	101
Golden State	104	San Antonio	101
Sacramento	104	San Antonio	101

Major College Scores

Saturday

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MONDAY SPORTS FOOTBALL

Bills, Redskins and Chargers in NFL Playoffs' Second Round

Rypien and Defense Upset Vikings, 24-7

By Richard Justice
Washington Post Service

MINNEAPOLIS — A season highlighted by missing parts and missed chances took a remarkable and stunning turn for the Washington Redskins.

In the first round of the National Conference playoffs, they turned in a performance as impressive as any in their history, controlling the Minnesota Vikings for a 24-7 victory Saturday before 57,353 quiet and surprised fans at the Metrodome.

With cornerbacks hurting and linebackers aching and running backs in street clothes, the Redskins got pressure performances from reserve running back Brian Mitchell, quarterback Mark Rypien, wide receiver Gary Clark, defensive end Fred Stokes and a host of other defenders to advance to the second round game Saturday against the 14-2 49ers in San Francisco.

The game began with the Vikings driving 79 yards for a touchdown and a 7-0 lead, but what followed was as impressive a stretch of football as the Redskins have played, and by a team that wouldn't have gotten into the playoffs if the Vikings hadn't defeated Green Bay the previous week.

They won because Rypien got hot, Mitchell provided a spark at running back and their defense shut down the Vikings, rattling quarterback Sean Salisbury and allowing just nine yards and one pass completion in the second half. The Redskins had the ball for almost 43 of the last 55 minutes as their offensive and defensive lines dominated. After getting 79 yards on that

opening drive, the Vikings got 69 more the rest of the game.

"A great day," said the Redskins' coach, Joe Gibbs. "Everything rolled our way. Our older guys made a point that they were going to go down swinging. We came here facing some tough odds, but someone was going to have to drive a stake in our heart to beat us."

With Rypien resembling the MVP of the last Super Bowl and Mitchell making the kind of plays Ricky Ervins made last season, Gibbs and his Redskins improved to a dazzling 16-4 in the playoffs. But this victory was particularly sweet because it was unexpected.

They played without all-pro cornerback Darrell Green; but Martin Mayhew, back after a six-game absence, played brilliantly at times, giving up a long pass early in the game to set up the Vikings' touchdown, but then intercepting Salisbury to help start the rout.

They didn't have Ervins, sidelined with a bad ankle; but Mitchell, with a chance to carry the ball, had the biggest game of his three-year pro career, rushing 16 times for 109 yards and returning a punt 54 yards. His longest run from scrimmage was 38 yards, with a fake punt, but it was his consistent five-, six- and seven-yard gains and his explosive speed that probably landed him a spot for good in the running back rotation.

Rypien shook off a bad start and played his best game of the season; Stokes had 3½ sacks in the second half; Gary Clark caught six passes for 91 yards, including a 24-yard touchdown strike from Rypien.

The Vikings opened the game by showing the Redskins anything but respect. They drove 79 yards in nine plays for a 7-0 lead. Salisbury withstood a blitz and dropped an 18-yard completion into Chris Carter's hands, then turned Mayhew for a 42-yarder to Carter to the 1. Terry Allen leaped over the stack at the goal line on the next play.

The Vikings went after Mayhew again at the end of the first quarter but he intercepted a pass intended for Anthony Carter at the 23 and returned it 44 yards to the Vikings' 33. Three plays later, Chip Lobmiller kicked a 44-yard field goal to make it 7-3 after a quarter.

It got sloppy when Mitchell returned a punt 54 yards, Rypien promptly threw an interception, then Salisbury threw one right back to Brad Edwards and the Redskins had the ball at the Minnesota 33.

Rypien made a couple of bad throws, but the Vikings helped him out when safety Todd Scott banged into Art Monk for a pass interference call. Then on third and 10 at the 18, the game turned around.

Rypien went back and rocketed a 15-yard completion down the middle to Monk. Byers followed with a three-yard touchdown run, the Redskins led by 10-3 and the Vikings never were close to getting back in it.

All of sudden, Rypien had moved back in time, to 1991, when he was quick and confident. Beginning with that shot to Monk, he completed 12 of his final 16 passes.

"I decided I was going to go out firing," he said. "If it doesn't work out, fine, take your lumps and move on. But don't be timid."

On their next possession, the Redskins drove 86 yards for a 17-7 lead as Mitchell entered the game and ran off gains of nine, seven and eight yards on his first three carries.

On fourth and three at their 44, he lined up as the upback in punt formation and the ball was snapped to him instead of punter Kelly Goodburn, fooling the Vikings. Mitchell escaped two tacklers and ran 38 yards to the Minnesota 18.

From there, it was easy and Mitchell bulldozed up the middle eight yards for the touchdown with 1:56 left in the half. After that, it was a matter of time. Late in the third quarter, they made it 24-7 with a 71 yard drive that included five Mitchell runs for 19 yards and completions of 29 and 24 yards to Clark. The last one went for the score as Clark got behind cornerback Eric Everett and Rypien put the pass on the money.



Running back Marion Butts, who gained 119 yards in the game, left the Chiefs behind on his 54-yard touchdown run in San Diego.

San Diego Barrels by Kansas City, 17-0

By Tom Friend
New York Times Service

SAN DIEGO — The San Diego Chargers play like a team from the National Football Conference East, so the rain was right up their alley.

The Chargers simply saddled up their huge running back, Marion Butts, and barged ahead for a 17-0 first-round playoff victory Saturday over the Kansas City Chiefs.

San Diego, which had gone 10 years between

post-season games, will now move on to Miami to face the Dolphins on Sunday.

An uncharacteristic, steady downpour turned the field at Jack Murphy Stadium into slop, and David Krieg, the Chiefs' quarterback, could hardly gather his footing, much less lead a comeback.

The sod is rye grass, which is durable but quite slippery when wet. As a result, the better ground game was bound to win, and San Diego had its resident locomotive, Butts.

He broke a 0-0 tie in the third quarter with a 54-yard touchdown run. It was simply a beeline

to the end zone straight up the middle, although Butts broke a flimsy leg tackle by Charles Minny and got superior blocks from guard Eric Moten and tight end Alvin Phipps at the line of scrimmage.

Butts, who had 15 carries for 119 yards to the Chiefs' rushing total of 19 carries for 61 yards, was overjoyed in celebrating his touchdown, perhaps because he had fumbled on the Chiefs' 9-yard line in the first quarter.

Ahead by 7-0 with 5 minutes, 53 seconds left in the third quarter, all San Diego had to do was rely on its barrier of a defense. No problem. On the first play after Butts' run, Krieg's pass over the middle was slapped into the air by defensive tackle Blaise Winter and intercepted by defensive end Leslie O'Neal. O'Neal had lived in the Chiefs' backfield all game, and now had a turnover to show for it.

Four plays later, John Carney kicked a 34-yard field goal to stretch the lead to 10-0 with 3:33 left in the third quarter.

The Chargers adroitly protected quarterback Stan Humphries and his dislocated left shoulder. Linebacker Derrick Thomas of the Chiefs got with two sacks, but did not disrupt the Chargers as he had earlier this season, when Kansas City twice beat San Diego.

And in a play that was typical of the afternoon, the Chargers even recovered a crucial fumble by one of their own players. Wide receiver Anthony Miller caught a 43-yard pass from Humphries only to cough up the ball on a hit by Kevin Ross. But Ross and another defensive back, Tabanan Lewis, could not corral the ball as it rolled on the turf.

Instead, San Diego's Ronnie Harmon did. His recovery led to San Diego's final touchdown, a 5-yard play by a fifth-string running back, Steve Hendrickson.

As is the custom with these two teams, defense was dominant in the first half.

The most valuable players of the first half were, by far, the punters. Kansas City's Bryan Barker booted a 54- and 53-yarder, and San Diego's John Kidder had his own 53-yarder.

The least valuable player of the half might have been Butts, who let a handoff drip right off his palms 9 yards from the Kansas City end zone on the opening drive of the game. The Chiefs' Neil Smith recovered the fumble and spiked it. That was the closest either offense came to the goal line, although San Diego also came within a hair of converting a field goal. With 34 seconds left in the half, Carney's 52-yard attempt traveled 51-plus yards, but dead-ended on the front crossbar.

Aesthetically, the Chargers seemed superior. Their main concern coming in had been to wall off Thomas and, in general, keep Humphries from getting his jersey dirty. The last time these teams met, in November, Thomas had four sacks and forced two fumbles.

San Diego tackles Harry Swayne and Broderick Thompson had help from the tight ends in blocking him.

It was a good idea because Humphries dislocated his left shoulder last week in Seattle, and to protect him, the Chargers did everything short of issuing him a suit of armor. The game plan was for him to wear a flak jacket, an arm harness he likens to a straitjacket and layers of padding over most of his upper torso.

For most of the half, Thomas was not a factor, although the same couldn't be said for Smith, at left defensive end. On one second-quarter play, he sacked Humphries from the rear and tugged away Humphries' towel in the process.

The Charger that suffered a significant injury was running back Rod Bernstein, who had his ankle twisted awkwardly on the opening drive of the game. He did not return, leaving the backfield duties to Butts, Eric Bieniemy and Ron Harmon.

Buffalo Comes Back To Beat Houston in OT

United Press International

ORCHARD PARK, New York — Steve Christie's 32-yard field goal 3:06 into overtime completed the greatest comeback in National Football League history Sunday and gave the Buffalo Bills a 41-38 playoff victory over the Houston Oilers.

Buffalo thus kept alive its hopes of becoming only the second team ever to make it to the Super Bowl three straight years, and those hopes appeared to be over early in the second half.

Houston's quarterback, Warren Moon, threw four touchdown passes in the first half and safety Bubba McDowell ran an interception back 58 yards for another score 101 seconds into the third quarter to give the Oilers a 35-3 lead.

But Frank Reich, playing for the injured Jim Kelly, threw four touchdown passes of his own in the second half to put Buffalo in front, and the game went into overtime when Houston's Al Del Greco kicked a 26-yard field goal with 12 seconds remaining in regulation.

Houston won the toss to start the overtime period, but on third down from his own 27, Moon was intercepted by Nate Odomes. A personal foul penalty called at the end of Odomes' run gave Buffalo the ball on the Oilers' 20 and after two running plays, Christie was called on to kick the winning field goal.

Until Sunday, the NFL comeback record was held by the San Francisco 49ers, who on Dec. 7, 1980, rallied from a 28-point deficit to defeat the New Orleans Saints in overtime, 38-35.

The biggest comeback for a victory in post-season play had been the 20-point rally by Detroit against San Francisco in 1957 after those two teams had tied for the Western Division title.

Buffalo's unlikely victory moved the Bills into the divisional round of the playoffs Saturday in Pittsburgh.

For Houston, meanwhile, it was yet another bitter post-season loss for a team that with excellent talent has never made it to the Super Bowl.

Only last January, the Oilers appeared headed for the American Football Conference champion-

ship game when they were victimized by a John Elway-led Denver comeback.

Thoughts of that collapse seemed erased Sunday when Moon led Houston to touchdowns on all four of their possessions in the first half.

Moon marched the Oilers 80, 80, 67 and 67 yards, those drives ending in touchdown throws of 3 yards to Haywood Jeffries, 7 yards to Webster Slaughter, 26 yards to Curtis Duncan and 27 yards to Jeffries.

The last of those scores came with 14 seconds left in the first half, ending an eight-play drive that used only 61 seconds.

Houston's 28-3 halftime lead got even bigger early in the third quarter when McDowell picked off a deflected pass and raced untouched to the end zone, putting the Bills behind by 32 points.

When Buffalo's Kenneth Davis scored on a 1-yard run with 8:52 to play in the third quarter, it seemed to be a meaningless touchdown that would only reduce the level of Buffalo's embarrassment.

But in quick succession the Bills recovered an onside kick. Reich hit Don Beebe with a 38-yard touchdown pass. Houston punted after just three plays. Reich threw a 26-yard score to Andre Reed. Henry Jones intercepted a Moon pass and Reich hit Reed for an 18-yard touchdown.

In the space of 6 minutes, 52 seconds, the Houston lead had dwindled from 35-3 to 35-31 and there were still two minutes left to play in the third quarter.

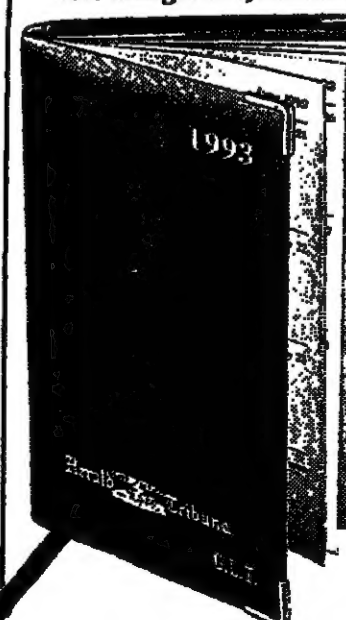
Houston seemed to take control of the game again, however, killing seven minutes of the fourth quarter by driving from its own 9-yard line to the Buffalo 20.

That drive was kept alive by a third-down, roughing-the-passer penalty against Buffalo's Bruce Smith, but Del Greco's bid to give Houston a seven-point lead with 6:53 to play in regulation failed when Greg Montgomery bobbled the snap on a 32-yard field goal try.

Seven plays later, Buffalo took a 38-35 lead on Reed's third touchdown catch — a 17-yarder that completed the astonishing comeback.

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Robinson Said Returning To Coach at Southern Cal

The Associated Press

LOS ANGELES — John Robinson is reportedly returning to his old job as football coach at Southern California.

Robinson, who left the Trojans after the 1982 season to become coach of the Los Angeles Rams, has agreed to a multi-year contract at Southern Cal, The Orange County Register reported.

CBS Sports, Robinson's employer in 1992, also reported that the 57-year-old coach was returning to Southern Cal, where he won three Rose Bowls and was 67-14-2 from 1976-82.

Southern Cal's sports information director, Tim Tessalon, said that no agreement had been signed, but that Robinson was the favorite to succeed Larry Smith, who resigned under pressure Friday following a 24-7 loss to Fresno State in the Freedom Bowl.

"At this point there are several candidates. Obviously John Robinson is a leading candidate," said

Tessalon, who added that an official announcement was expected "very soon, probably within days."

The return of Robinson would follow the same route Bill Walsh took at Stanford, moving to the NFL and then returning to the college ranks at his old school.

Robinson resigned from the Rams in 1991 under much the same circumstances facing Smith. He had a 79-74 record — the winningest a coach in franchise history — but came under pressure to step down because of recent failures and questions about the team's future.

Smith won the Pac-10 title three times, was the conference coach of the year twice and went to the Rose Bowl three times. His Trojans won Bowls in 1989 over No. 3 Michigan, 17-10 in 1989 over No. 3 Michigan, 17-10 in 1989 over No. 3 Michigan, 17-10 in 1989 over No. 3 Michigan.

But apparently it wasn't enough for the USC faithful, falling short of the successes of his predecessors.

Gullit Goal Keeps Milan on Streak

Reuters

ROME — A goal by Ruud Gullit helped a weakened Milan scrape past Roma, 1-0, on Sunday to establish an Italian league record of seven away victories in a row.

Milan, a daunting eight points ahead in the Italian first division, also extended its unbeaten run to 49 games.

Milan, which has not lost in the league since May 1991, was sent into the traditional grudge match against Roma without its inspirational striker, Marco Van Basten, who is recovering from an ankle injury. Five minutes into the Italian traditional grudge match against Roma, Milan's captain, Franco Barresi, was sent off for a foul.

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Camembert: 'Odorous Emblem of France'

International Herald Tribune

PARIS — These are trying times that call for faith and it is nice to be able to report that the French, at least, believe in something: Camembert cheese. According to a sociologist named Pierre Boissard, Camembert is the symbol of the nation — "the odorous emblem of France," he calls it — whose legendary birth coincides with that of the Republic. The history of France and of Camembert parallel each other, he says.

In his book "Le Camembert: Mythe national" (published by Calmann-Lévy), Boissard compares the pale

MARY BLUME

round Camembert to the Communion Host (earlier, the writer Léon-Paul Fargue said it smelled like the feet of *le bon Dieu*). If it is not necessarily France's best cheese, it is certainly its best known.

Boissard says that 45 percent of French households say it is their favorite cheese and that 78 percent can identify it on a cheese tray as against 60 percent for Gruyère and 51 percent for Roquefort. In 1986 the French ate 90,000 tons of Camembert, or two million individual cheeses.

According to myth, Camembert was invented in the Norman village of that name in 1791 by a cheesemaker called Marie Harel aided by a priest who took the time while fleeing the Revolution to instruct her in the cheese-making methods native to Brie. The intervention of the priest is part of French gastronomic lore, Boissard says, citing the example of Dom Pérignon, the blessed inventor of Champagne.

Marie Harel was immortalized by a statue in Vimoutiers, five kilometers (three miles) from Camembert, which was inaugurated by the ex-president of the republic, Alexandre Millerand, in 1928. She is wearing the local headress and a crucifix and is holding a milk can. "To Marie Harel, inventor of Camembert," says the relief behind her.

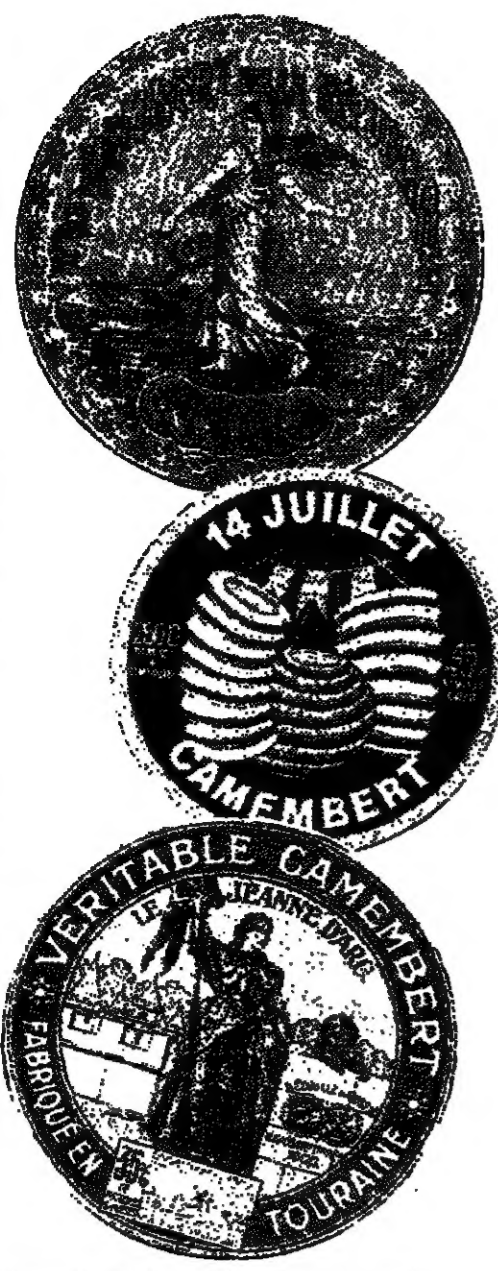
Pure myth, says Boissard whose examinations yielded no proof of the historic moment of the passing priest, or even of a Marie Harel in Camembert (there was a cheesemaker of that name in the nearby commune of Roiville). A cheese called Camembert is known to have existed before 1791, having been referred to in 1708 by Thomas Corneille, brother of the author of "Le Cid."

The myth was invented, like most myths, because it was needed, Boissard maintains. The inauguration of the statue was the crucial moment and that it happened at all was thanks to a passing American named Joseph Knirum who in 1926 appeared in Vimoutiers asking for trains to Camembert. There were none.

In a gastronomic equivalent of "Lafayette, we are here," Knirum, who was carrying a wreath, said he wanted to lay it on the tomb of the woman whose invention had, along with Pilsener beer, cured his digestive problems. (Another version has Knirum as a doctor who prescribed Camembert for stomach troubles). When no tomb could be found, he offered \$20 toward the building of a commemorative statue.

The effect of the statue, Boissard says, can be measured not only in kilos of Camembert sold but in its more important symbolic meaning: the reinvention of the inventor of Camembert, he claims, one of the founding myths of French nationalism.

Two antagonistic theories are reconciled in the Camembert legend: the Revolution, symbol of the new and earthly, and the priest, symbol of tradition and of the sacrosanct. The statue was inaugurated at a particularly



Camembert labels with national symbols.

vulnerable moment in French history when most village monuments being erected were in memory of the nation's youth, slaughtered in the Great War (30,000 monuments from 1920 to 1925). The statue of Marie Harel symbolized peace: She was shown standing before a traditional farm, not a battlefield.

Furthermore, continues Boissard, the statue represented the synthesis between tradition and modernity, between rural life and new industrial development. It was both comforting and forward-looking.

If Marie Harel did not invent Camembert, she did exist

and her cheese-making descendants, succeeded by increasingly powerful commercial entrepreneurs, did their best to further the legend. Not only did it help sales but it protected their unpromising product which had become widely known outside Normandy when it was sent to soldiers at the front (a friend in times of trial, Clemenceau called it).

After World War I, France was faced by war debts, a weak franc and a declining rural population. Boissard says that Marie Harel's statue and increasing Camembert production symbolized the nation's aspirations toward prosperity based on agriculture and rural light industry. As a plus, Camembert was successfully exported, helping the nation's trade deficit.

Before 1928, the key year in Camembert history was 1850 when the train made it possible to export to Paris and when production extended to all Normandy (as well as to Lille and the Charente area). Two major changes soon followed: The cheese was boxed and labeled, often with symbols of the French Republic and later with other sources of national pride such as Joan of Arc, Napoleon, Joffre, Pétain and Josephine Baker. And its taste and aspect were forever changed in 1880 when its blue-green crust became chalky white with the introduction of laboratory-produced *penicillium candidum*. The whitened surface, Boissard says, can be taken as a metaphor foretelling the commercially viable and gastronomically disgusting introduction of pasteurization.

In 1909, manufacturers had grouped to form the Union of Producers of True Norman Camembert, but they failed to secure a legal definition of their product. Their only protection was their secret recipes and their legend.

The manufacturers began big advertising campaigns between the wars, cultivated local politicians and, to protect their recipes, virtually banned their employees from changing jobs. In their triple incarnation as farmers, industrialists and merchants they combined the best of all worlds and lived in prudent lavishness, using banded-up Deux Chevaux at work and speeding to Deauville for weekends in Jagers. Basically conservative, they were unprepared for the onslaughts of huge food conglomerates that began in the 1960s.

They were also unprepared for pseudo-Camemberts made in the countries they exported to although some considered imitations useful in perpetuating the Camembert's image. When Marie Harel's statue needed repairs after Allied bombing in World War II, the Borden company helped out and put on the statue's base, "Gift of the Borden Camembert factory." Outraged locals howled and the inscription was changed to, "This statue is offered by 400 men and women making cheese in Van Wert, Ohio."

The big manufacturers of today's cheeses tending like reprocessed Kleenex see small producers making pungent farm Camemberts as image builders rather than as rivals. This might explain why all the Camembert manufacturers made such a fuss last year when the EC presented legislation restricting production of farm cheeses. The ruling was not clear — one was not quite sure which cheeses were threatened — but one expert says Camembert was definitely not among them, though Saint-Marcellin and Saint-Nectaire and some Pont-l'Évêque were.

However, the ruling was taken as a threat to the very essence of French life and the EC, it will be remembered, backed down. Earthy, individualistic France triumphed over the faceless Eurocrats thanks to its round, pale, magical, mythical symbol of the nation.

LANGUAGE

The Whether Men of Olbom

By William Safire

NEW YORK — This department is blessed not merely by the existence of the *Lexicographic Irregulars*, with shock troops of the *Gotcha! Gangsters*, but also by a more ironic quartet of advisers: the On Language Board of Octogenarian Menors (Olbom).

What a crew: Jacques Barzun, author of "The House of Intellect" and "The Modern Researcher"; Alistair Cooke, just retired as host of "Masterpiece Theater" and long the interpreter of America to the mother country; Allen Walker Read, the etymologist of American English who found the origin of O.K.; and Frederic G. Cassidy, editor of the *Dictionary of American Slang*, the *Cambridge Dictionary of the English Language*, and the *Cambridge English Dictionary*. Their collective ages, projected backward in time, would take us to 1649.

Want to see Olbom at work?

"The question is whether anti-Castro forces are willing to what he says, not what he does" was a citation from Newsweek submitted by Bruce Kluger, an editor of Playboy. He asks: "Shouldn't whether be followed by or not at all times? And if or not is not needed after whether, shouldn't some sort of alternative-choice phrase be added?"

Modern usage books say that the only time or not must be used is in an adverbial clause, as in "Whether or not you like listening to speeches, you'll find time in the Inaugural Address." Otherwise, the or not can be clipped, as the writer cited in Newsweek did.

Now let's deal that card to a couple of members of Olbom. Allen Walker Read thinks the clipping is O.K.: "The full phrase whether or not is appropriate in formal writing, but whether by itself is often found in colloquial contexts. Sentences can read smoothly with whether by itself."

Jacques Barzun thinks that "rules" about such things as split infinitives and beginning sentences with conjunctions "all are school-marm short cuts to bypass the thinking that ought to guide choice in different situations." On the matter of whether or not, he applies that thinking to three sentences:

1. "Whether or not he apologizes, he must leave my house."

2. "Whether the event favors us or not, we made a point."

3. "Whether these figures are right, I don't know."

Writes Professor Barzun: "All three are perfectly good sentences. Now, why do I write them as they stand? The first emphatically urges the alternative. The second has the same intention, but the rhythm requires putting *not* at the end of the clause: try to put it up front and you'll see how weak 'favors us' will sound. The third, unlike the first two, does not affirm or enforce an idea; it raises a doubt, and so the *whether* is left hanging."

Here's Barzun's rule-knocking mance: "Purpose and rhythm together equal rhetoric, and rhetoric determines the placement of movable parts. Every sentence poses its own problem, which can only be solved by thought." (Let the *Gotcha! Gang* wonder why he did not write "solved only by thought," he adds: "Note the idiomatic placement of *only*, which would be overstressed if put in its logical place.")

Now to impossible etymology, the search for roots that lie far from any dictionary. Have you been driven crazy by the prevalence of *you know* in American speech? Where does this useless interjection come from? Why do we use it? To Professor Read:

"It is not commonly known," he replies, "that *you know* was ubiquitous in England in the early 19th century, and American travelers often remarked on it. The attached quotation of 1835 is typical."

James Brooks, a congressman from New York, wrote The New Yorker in 1835 (in its pre-Tina Brown incarnation): "Kendall, you know (I don't know whether you know it or not — but *you know* is a phrase an Englishman throws in at the turn of every sentence, when he is hunting for a new idea, or the words to fill the coming one . . .)

— but Kendall, you know (I am getting the rascally habit) is great in lousy wilesey."

See? Some linguistic resources even beat the OED on compact disc. Nor does the Olbom limit itself to answers: "What's the origin of *busby*?" writes Alistair Cooke. "Is it related to *omnibus*?"

John Algeo, far too young for

sor of English at the University of Georgia, thinks Cooke's speculation is correct. The French name for a public conveyance, *voiture omnibus*, "vehicle for everybody," led to the English acceptance of *omnibus* as meaning "for everybody"; it was picked up in political parlance in the 1850s as an *omnibus bill*, sweeping together a little of everything. Algeo speculates that a lowly restaurant employee, called on for everything, may have been called an *omnibus*; in 1913, the word *busboy* appeared in the United States.

While I had him, I asked Algeo about *you know*. He does not treat the location with revision: "It draws into the discourse the person being addressed. . . . Another use is to fill up time while the speaker is thinking what to say next. It is, of course, the frequency of use and not the term itself that is irksome."

Finally, with the presidential inauguration at hand, I turned to Fred Cassidy, the man from DARE, for the pronunciation of the word for a person from Arkansas.

The state is pronounced AR-kansaw. The derivation, according to the Illustrated Dictionary of Place Names, edited by Kelsie B. Harter, is from the Quapaw tribe of the Sioux, who were called *Upakpah*, "downstream people"; French explorers called them *Akanas* (do not confuse this with the origin of Kansas, from the Siouan *Kansa* or *Kaw*, "people of the south wind.")

"People in Arkansas used to spell it *Arkansas*," Cassidy informs me, "and were often called *Arkansawyers* in the days when trees were cut up by hand." A *sawyer* was one who sawed lumber; it was also the name of a log bobbing in the Mississippi River, and may have led to Mark Twain's selection of the name *Tom Sawyer*. "But the word is no longer acceptable," Cassidy reports. "Now one must say *Arkansas*, alongside *Kansans*."

Bill Clinton, then, from AR-kansaw, is an AR-KAN-zen.

New York Times Service

INTERNATIONAL CLASSIFIED
Appears on Page 2

WEATHER

Forecast for Tuesday through Thursday

Europe	Tuesday	Wednesday	Thursday
London	12/55	7/44	14/57
Paris	12/55	7/44	14/57
Rome	12/55	7/44	14/57
Madrid	12/55	7/44	14/57
Amsterdam	12/55	7/44	14/57
Berlin	12/55	7/44	14/57
Brussels	12/55	7/44	14/57
Copenhagen	12/55	7/44	14/57
Helsinki	12/55	7/44	14/57
Stockholm	12/55	7/44	14/57
Oslo	12/55	7/44	14/57
Reykjavik	12/55	7/44	14/57
Warsaw	12/55	7/44	14/57
Vienna	12/55	7/44	14/57
Zurich	12/55	7/44	14/57



Legend: S-Sunny, P-Partly cloudy, C-Cloudy, SH-Showers, H-Heavy rain, F-Fog, W-Wind, A-All maps, forecasts and data provided by Accu-Weather, Inc. © 1993

North America: Stormy weather will move into the western United States Tuesday as a cold wave breaks from northern Germany. Soaking rains will fall from San Francisco to San Diego with substantial snow in the inland mountains. Tuesday will be mild and rainy from Washington, D.C., to Boston. Dry and cooler Wednesday and Thursday.

Europe: Low and snow will give way to rain Tuesday as a cold wave breaks from northern Germany. High winds and rain will begin in much of the region Wednesday and in Tokyo by Thursday. Shanghai and Taipei will be rainy at times through midweek. Little rain is forecast in Hong Kong.

Asia: Dry, seasonally chilly weather is slated Tuesday from Seoul to Tokyo. Rain will begin in much of the region Wednesday and in Tokyo by Thursday. Shanghai and Taipei will be rainy at times through midweek. Little rain is forecast in Hong Kong.

Africa: Dry, seasonally chilly weather is slated Tuesday from Cairo to Lagos. Rain will begin in much of the region Wednesday and in Tokyo by Thursday. Shanghai and Taipei will be rainy at times through midweek. Little rain is forecast in Hong Kong.

Latin America: Dry, seasonally chilly weather is slated Tuesday from Mexico City to Lima. Rain will begin in much of the region Wednesday and in Tokyo by Thursday. Shanghai and Taipei will be rainy at times through midweek. Little rain is forecast in Hong Kong.

Middle East: Dry, seasonally chilly weather is slated Tuesday from Tel Aviv to Baghdad. Rain will begin in much of the region Wednesday and in Tokyo by Thursday. Shanghai and Taipei will be rainy at times through midweek. Little rain is forecast in Hong Kong.

Oceania: Dry, seasonally chilly weather is slated Tuesday from Sydney to Melbourne. Rain will begin in much of the region Wednesday and in Tokyo by Thursday. Shanghai and Taipei will be rainy at times through midweek. Little rain is forecast in Hong Kong.

Antarctica: Dry, seasonally chilly weather is slated Tuesday from the South Pole. Rain will begin in much of the region Wednesday and in Tokyo by Thursday. Shanghai and Taipei will be rainy at times through midweek. Little rain is forecast in Hong Kong.

Legend: S-Sunny, P-Partly cloudy, C-Cloudy, SH-Showers, H-Heavy rain, F-Fog, W-Wind, A-All maps, forecasts and data provided by Accu-Weather, Inc. © 1993

BOOKS

SOLO:
Life With an Electric Car
By Noel Perrin. 191 pages.
\$18.95. W. W. Norton.

Reviewed by Christopher Lehmann-Haupt

IT all began one day in the winter of 1990, when Noel Perrin was wandering to his Environmental Studies I class at Dartmouth College about David Brower, a former executive director of the Sierra Club. As Perrin writes in his new book, "Solo: Life With an Electric Car," Brower "is currently in the habit of taking jet airplanes around the United States in order to give lectures on, among other things, energy conservation."

At this, one of the students piped up. "So, how did you get into Ham-

over this morning to teach this class?" Perrin could not tell a lie. "I drove in, in my gas-guzzling, air-polluting farm truck," he admitted. The class politely roared with laughter. That settled it for Perrin. He made up his mind to buy a nonpolluting electric car. And he would write a book about it.

He bought a converted Ford Escort wagon with solar cells on its roof, capable of a top speed of 60 mph to 65 mph (100 to 105 kph) and a range of 45 to 60 miles. It was made by Solar Electric Engineering in Santa Rosa, California. Perfect! He would drive the thing across the country back to his home in Vermont. Allowing eight hours for recharging, he would drive in the early morning, recharge, drive in the evening, recharge, and cover more than 100 miles a day. It would take him somewhere between a month

and six weeks. Of course it didn't work out that way at all.

Yet, despite the problems, he makes a persuasive case in "Solo" that electric cars lie in our future as well as in our past. Of the growing threat of gas-powered cars he writes: "As recently as 1950, when there were 53 million motor vehicles registered in the world, their emissions could float away with only modest effects. But now the planet has well over half a billion cars and trucks to deal with. Before the year 2000, it will have a full billion. Then the figure will start climbing rapidly toward two billion. If they were all to be gasoline and diesel vehicles, the atmosphere could not stand it."

So the revival of the electric vehicle is imminent, and all the car manufacturers are gearing up: Toyota, Nissan, Honda, General

Motors, Ford, Peugeot, Audi, Citroën, Fiat, Peugeot, Renault, Vauxhall, Volkswagen and even BMW. New companies are springing up. Even the Swiss company that makes Swatches "is about to go full tilt into the E.V. business."

But it doesn't look as if our next cars will be electric. Although the author finally got his car home and found it ideal for making the 13-mile commute between his home and the Dartmouth campus, he leaves you feeling a little dubious about the practicality of switching to an electric in the immediate future. The problem is still range, though this promises to be alleviated by better batteries, lighter car bodies, faster recharging and something called regenerative braking, which means you can convert your momentum back into power for the batteries. Hybrids are also possi-

ble: cars that switch back and forth between gas and electricity, or what Perrin calls St. Augustine cars: "Make me chaste, Lord, but not yet." And somewhere down the road there could be fuel cells, a way of powering electric cars without using batteries.

In "Solo" Perrin gives us a taste of what driving an electric car is like. But as he concludes: "It can be amusing to talk about a mass shift to electric cars, but actually doing it is quite different. Sure, something needs to be done about it. But give up your car? For something that runs on batteries? That's a big step to take. Will many of us take it? Ask me again in two years."

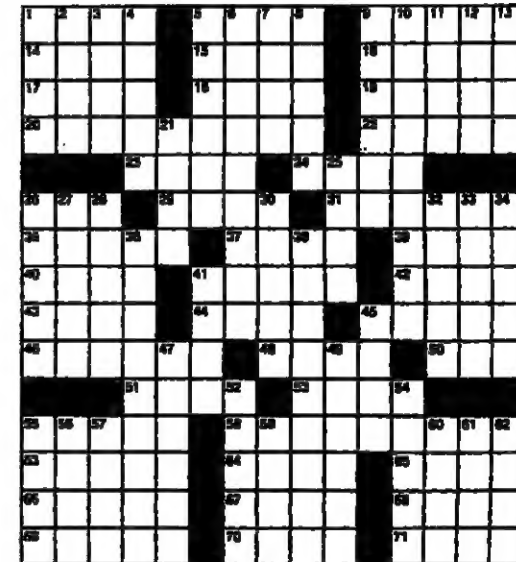
Christopher Lehmann-Haupt is on the staff of The New York Times.

CROSSWORD

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ACROSS
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14 Destructive
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DOWN
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41 Prayed
42 Battle site, 1944



BRIDGE

By Alan Truscott

ON the diagramed deal, South brought home six clubs after the partnership had escaped from one five-three fit into another. It will be seen that six hearts would have been hopeless because the North hand would have been forced to ruff spades twice.

The opening spade lead was ruffed in dummy and South could not afford to draw more than one round of trumps. He cashed the queen and led a heart to the king, hoping that the opponents would take their ace. A holdup of the ace would prepare, in all probability, for a defensive ruff.

West took the heart ace and led another spade, forcing the dummy to ruff again with the last trump. If

South had not cashed the club queen he would have been in a position to overtake that card to draw trumps, but that would have meant gambling on an even club split.

Now South had to find a way back to his hand to draw trumps. West was hoping for a heart lead, allowing a ruff, but South played diamonds, ruffed the third round low, drew trumps and made the slam. His team gained 14 imps, for in the replay West played in five spades doubled and was allowed to escape for down two, losing 300.

South's play seemed to go against the odds, but he had a good reason for his action. He had, he explained, inferred a singleton heart ace on his left, since an expert in that position would not hold up

the heart ace if he could. And the player on his left was highly expert.

NORTH			
♠	J 9 8 4 2		
♥	A K 7 4 3		
♦	Q 9 5		
WEST			
♠	K Q 7 6 3		
♥	A		
♦	J 6 2		
♣	10 4 3		
EAST			
♠	A J 10 5		
♥	Q 7 5 3		
♦	Q 10 5		
♣	7 2		
SOUTH (D)			
♠	9 4 3		
♥	K Q 10		
♦	9 8		
♣	A K J 6 5		

North and South were vulnerable.

The bidding:

South West North East

1♣ 1♠ 2♥ 4♣

5♥ Pass 5♥ Pass

West led the spade king.



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